

to the appellant, Joseph Ingels might, as he is averred to have done, assign to her his right to and property in said trade-mark. The assignment and the right to make it did not in any way depend upon the time at which the appellant might engage in business. Nor was it necessary to the validity of the transfer of the trade-mark that the place of business or drills actually manufactured should be transferred. It was enough if the right to engage in the business was assigned. As incident to the assignment of this right, it was quite competent to assign the right to the trade-mark."

§ 122. Partnership generally acquires trade-mark of individual partners.

When a partnership is formed to manufacture the article to which a trade-mark is properly applied, the trade-mark of one partner, in the absence of special regulations, becomes part of the partnership property.¹³ But where the owner of a business, and of the realty used in the business, took two of his clerks into partnership, but did not place the realty or the trade-mark in the concern as a part of its capital stock, it was held that the trade-mark did not become partnership property, even though used on packages containing goods manufactured by the firm.¹⁴

¹³ *Filkins v. Blackman* (1876) 13 Blatchf. 440, Fed. Cas. No. 4,786; *Bury v. Bedford* (1864) 10 Jur. 503; *Hoxie v. Chaney* (1887) 143 Mass. 192. See, also, *Sohier v. Johnson* (1872) 111 Mass. 238.

¹⁴ *Kidd v. Johnson* (1879) 100 U. S. 617.

In *Kidd v. Johnson* (1879) 100 U. S. 617-619, Field, J.: "At this time, and subsequently until its sale in 1868, the real property in Cincinnati upon which the business was conducted, and the distillery, with its fixtures and appurtenances, belonged to Pike, individually. In 1868, the firm moved its entire business to New York City, and Pike sold the real property in Cincinnati, and the stills, tubs, engines, boilers, tubing, and all apparatus in his distillery, for the consideration of \$125,000, to the firm of Mills, Johnson & Co., who were also engaged in the manufacture and sale of whiskey

§ 123. Firm may have license from individual partner, which will revert to owner on dissolution of partnership.

In *Batcheller v. Thomson* it appeared that a manufacturer of corsets in England adopted a trade-mark before its use in this country, and its application to the goods before their importation, and its distinct ownership, were known and acted upon by a firm in New York of which the manufac-

at that place. At the same time, Pike executed and delivered to the purchasers a separate instrument, stating that, having sold his premises to them, he extended to them and their successors the use of all his brands formerly used by him in his Cincinnati house.

* * * The principal question for determination is whether the complainants, claiming under the sale of Pike to their predecessors, or the defendant Kidd, claiming as survivor of [said firm] S. N. Pike & Co., have the exclusive right to the trade-mark mentioned. The court below decided that the complainants possessed the exclusive right, and our judgment approves of the decision. It is admitted that Pike was the owner of the trade-mark when he took two of his clerks into partnership and formed the firm of S. N. Pike & Co. He did not place his interest in the trade-mark in the concern as a part of the capital stock. He allowed the use of it on packages containing the whiskey manufactured by them, but it no more became partnership property from that fact than did the realty itself, which he also owned, and on which their business was conducted, * * * They [S. N. P. & Co.] knew of his conveyance of its use to Mills, Johnson & Co., on the first of October, 1868, when they removed their own business to New York, and made no objection to the transfer. * * * That transfer was plainly designed to confer whatever right Pike possessed. It in terms extends the use of the trade-mark to Mills, Johnson & Co. and their successors. Such use, to be of value, must necessarily be exclusive. If others also could use it, the trade-mark would be of no service in distinguishing the whiskey of the manufacture in Cincinnati; and thus the company would lose all the benefit arising from the reputation the whiskey there manufactured had acquired in the market. The right to use the trade-mark is not limited to any place, city, or state, and therefore must be deemed to extend everywhere. Such is the uniform construction of licenses to use patented inventions. If the owner imposes no limitation of place or time, the right to use is deemed perpetual and coextensive with the whole country."

turer was a member. The goods so manufactured and stamped in England were sold to the New York firm, and the trade-mark was subsequently permitted by the owner to be used by the firm on corsets manufactured by it in the United States. It was held that this licensed use in the business of the firm of the trade-mark owned by one partner did not place the trade-mark in the firm, as a part of its assets, nor make it partnership property. It was further held that, on dissolution of the partnership, and the transfer by the owner of the trade-mark of his interest in the factory proper, such owner could continue in the purchaser the right to use the trade-mark which he had previously permitted the firm to use in their factory.¹⁵

§ 124. Firm or corporation succeeding to business acquires trade-mark.

Where a firm or corporation is organized to succeed to a business in which a trade-mark is used, and the business, with the assets and goodwill thereof, are transferred to such firm or corporation, the latter will also acquire the exclusive right to the trade-mark, in the absence of special regulations, unless the mark is of such a personal character that its use by the firm or corporation would constitute a fraud upon the public.¹⁶

¹⁵ (1889) 35 C. C. A. 532, 93 Fed. 660, reversing 86 Fed. 630.

¹⁶ *Chattanooga Medicine Co. v. Thedford* (1894) 66 Fed. 544; *Oakes v. Tonsmierre* (1883) 49 Fed. 447; *Richmond Nervine Co. v. Richmond* (1895) 159 U. S. 293; *Brown Chemical Co. v. Meyer* (1891) 139 U. S. 540; *Filkins v. Blackman* (1876) 13 Blatchf. 440, Fed. Cas. No. 4,786; *Bury v. Bedford* (1864) 10 Jur. (N. S.) pt. 1, p. 503, De Gex, J. & S. 352; *Solis Cigar Co. v. Pozo* (1891) 16 Colo. 388; *Cutter v. Gudebrod Bros. Co.* (1899) 44 App. Div. (N. Y.) 605; *Allegetti v. Allegetti Chocolate Cream Co.* (1898) 177 Ill. 129.

In *Snyder Mfg. Co. v. Snyder* (1896) 54 Ohio St. 86, 96, Williams, J.: "We are not reluctant, therefore, in holding that, upon the dissolution of a trading co-partnership, its assets, including the good-

§ 125. Partners remaining in firm entitled to firm trade-marks.

The general rule as to acquirement by the remaining partners of the trade-marks of a copartnership upon the retiring of one or more of the members of the firm is thus stated by the supreme court of the United States in *Menendez v. Holt*: "It may be that, where a firm is dissolved, and ceases to exist under the old name, each of the former partners would be allowed to obtain 'his share' in the goodwill, so far as that might consist in the use of trade-marks, by continuing such use in the absence of stipulation to the contrary; but when a partner retires from a firm, assenting to or acquiescing in the retention by the other partners of possession of the old place of business and the future conduct of the business by them under the old name, the goodwill remains with the latter as of course."¹⁷

will of the business, may be sold as a whole, either by the partners directly, or through a receiver under an order made by a court in a case to which they are parties; and that a purchaser thereof under either method of sale is entitled to continue the business as the successor of the firm, and make use of the firm name for that purpose. And, further, that where the purchaser transfers the property so acquired by him to a corporation of which he is a member, organized to succeed to the business, it may carry on the business in the same manner under a corporate name, including the name which had been used by the firm. *Brass & Iron Works Co. v. Payne*, 50 Ohio St. 115."

In *Snyder Mfg. Co. v. Snyder* (1896) 54 Ohio St. 86, 97, Williams, J.: "If it is desired to limit the right of the purchaser or his vendee in the use of the firm name, or exclude such right altogether, it should be done by stipulation in the contract, when the sale is made by the partners, or by a provision to that effect in the order, when the sale is made through the court."

¹⁷ (1888) 128 U. S. 514. See, also, *Batcheller v. Thomson* (1898) 86 Fed. 630; *Adams v. Adams* (1879) 7 Abb. N. C. (N. Y.) 292; *Cuervo v. Landauer* (1894) 63 Fed. 1003; *Merry v. Hoopes* (1888) (238)

§ 126. All partners entitled to use trade-mark on dissolution of firm: Hazard v. Caswell.

Where a firm, doing business in two cities, expired by limitation, and the plaintiff's rightfully continued to carry on business at the old place of business in one city, and, so far as the goodwill of the business attached thereto, must be deemed to have acquired all the benefit of it, it was held that, in the absence of an agreement, a trade-mark consisting of the word, letters, and figures, "Established A. D. 1780," used in the business at both places, would not accrue to the plain-

111 N. Y. 415; Rankin v. Newman (1896) 114 Cal. 635, 34 L. R. A. 265; De Grauw v. Schmid (1899) 38 App. Div. (N. Y.) 189.

In Hoxie v. Chaney, and Chaney v. Hoxie (1887) 143 Mass. 592, 594, C. Allen, J.: "Under these circumstances, the bill of sale was signed, with no agreement, either written or oral, to take Hoxie back as a member of the firm. By it Hoxie sold to Pegram 'the following goods and chattels, namely: All my right, title, and interest in and to all and singular the partnership property belonging to the firm of A. N. Hoxie & Co. (consisting of A. N. Hoxie and Frank R. Pegram), meaning hereby to sell and convey to said Pegram all my interest in the entire assets of said firm, wherever the same may be situated.' These terms are broad, and, although the trade-marks and the goodwill of the firm are not expressly mentioned, both are included within its meaning. Sohler v. Johnson, 111 Mass. 242, 243; 2 Lindley, Partn. (4th Ed.) 860, 861, 1046; Shipwright v. Clements, 19 Wkly. Rep. 599. Pegram therefore became the owner of the trade-marks, and his firm of Chaney & Pegram are now entitled to their exclusive use."

In Merry v. Hoopes (1888) 111 N. Y. 415, 420, Peckham, J.: "All the liabilities of the late firm [Hoopes & Merry] were assumed by the plaintiff [Merry], and he was to succeed it in the same business and at the same place. * * * The agreement of dissolution specified exactly what the defendant was to have from the firm, and the goodwill was not there included, nor any marks or brands, nor was defendant to succeed to the business, or any part thereof, and what the defendant did not take it was meant the plaintiff should have. * * * In this case we hold that, if these were trade-marks, then the plaintiff has proved such exclusive right, so far as the facts are now presented."

tiff, and that each party might use the devices which constituted the trade-mark, although neither, except by agreement, could use the name of the other.¹⁸

§ 127. Same rule: **Huwer v. Dannenhoffer.**

In *Huwer v. Dannenhoffer*¹⁹ it appeared that the parties were formerly partners in the business of manufacturing glass chimneys for lamps, and adopted the word "Silex" as a trade-mark. The firm was dissolved, and defendants sold to plaintiff their interest in the real estate used for the business, and in certain specified property connected with it. Nothing was said at the time about the goodwill of the business, or the trade-mark, and there was no reference to it in the bill of sale. The plaintiff continued the business at the same place, using the same trade-mark. Defendants later commenced and thereafter carried on the same business in the same city, and also used the same trade-mark, and it was held, in an action to restrain the use of the trade-mark by defendants, that, assuming that the word "Silex" could be used as a trade-mark, and that the firm, while it existed, had the exclusive right so to use it, such exclusive right was not acquired by plaintiff; that, after the dissolution, either of the late partners could use it until in some way he had divested himself of that right; that, as the trade-mark was not in its nature local, it did not pass as an incident to what was sold, and that it was incumbent upon the plaintiff to show himself vested, by some agreement, with the exclusive right to use it, and that, in the absence of such showing, he could not prevail in the action.

¹⁸ *Hazard v. Caswell* (1883) 93 N. Y. 259, reversing (1878) 57 How. Pr. (N. Y.) 1. (1880) 46 N. Y. Super. Ct. 559. See *Caswell v. Hazard* (1890) 121 N. Y. 484; *Young v. Jones* (1879) 3 Hughes, 274, Fed. Cas. No. 18,159; *Taylor v. Bothin* (1879) 5 Sawy. 584, Fed. Cas. No. 13,780; *Robinson v. Finlay* (1878) 9 Ch. Div. 487.

¹⁹ (1880) 82 N. Y. 499.

§ 128. Cases of Hazard v. Caswell and Huwer v. Dannenhoffer compared with Menendez v. Holt.

The cases of Hazard v. Caswell and Huwer v. Dannenhoffer form no exception to the general rule stated by the supreme court of the United States in Menendez v. Holt. In Hazard v. Caswell, the copartnership had stores in two places, and used the trade-mark in question at both stores. The plaintiff acquired from his copartner the assets of the firm at one store only. Hence it was held that he did not acquire the exclusive right to the trade-mark which was used at the other store as well. In Huwer v. Dannenhoffer it does not appear that plaintiff acquired all of the assets of the old firm, or that he continued the business under the same name. In Merry v. Hoopes, the general rule stated in Menendez v. Holt is followed, and the decision in Merry v. Hoopes²⁰ is said by the court not to be in conflict with Hazard v. Caswell or Huwer v. Dannenhoffer.

§ 129. Successor may acquire right to use name from others.

Where H. sold the use of his name to C., and C. manufactured goods marked "H. & C.," and, on C.'s death, his son continued to manufacture goods with the same mark, and H. forbade him to use his name, and C.'s son replied that he had bought from another person, named H., the right to use his name, it was held that H. could not maintain a bill in equity against C.'s son, setting forth these facts as an infringement of a trade-mark, in the absence of a distinct allegation that the defendant used the name of H. with intent to represent it to be the name of the plaintiff; and thereby defraud and injure him.²¹

²⁰ (1888) 111 N. Y. 415. See, also, Adams v. Adams (1879) 7 Abb N. C. (N. Y.) 292.

²¹ Hallett v. Cumston (1872) 110 Mass. 29.

§ 130. Successor to original proprietor may appropriate trade-mark.

It has been held in several cases, where a trade-mark or a name, or a trade-mark and name united, has been used and recognized as denoting that the article is made at a particular establishment, that those who succeed to the establishment, such as heirs, next of kin, or successors in interest, may, in carrying on the establishment thereafter, there being no statutory enactment to the contrary, continue to use the same name and trade-mark, without any reference to their derivative title, for nobody is thereby deceived, as they get the same article, and from the same place that they got it before.²²

§ 131. One who acquires manufactory may acquire right to use trade-mark.

Where a trade-mark has been used to indicate the origin of a commercial article at a particular manufactory or place of production, it has been held that a person who acquires such manufactory or place of production may use such trade-mark, even though he has not acquired the business formerly carried on there, and even against the will of the original proprietor, and although the business formerly carried on at such manufactory or place of production is then carried on elsewhere.²³ Thus, in *Motley v. Downman*, it appeared that the Morgans had for many years manufactured tin plates at Carmarthen, and used "M. C.," meaning Morgan, Carmarthen, as a trade-mark, and dissolved about 1820. One of the plaintiffs, a partner in the old firm, formed a new firm, bought the stock and goodwill, took a lease of the works, to expire in 1827, and manufactured the plates with the same

²² *Hegeman v. Hegeman* (1880) 8 Daly (N. Y.) 1; *Robertson v. Berry* (1879) 50 Md. 591; *Pratt's Appeal* (1888) 117 Pa. 401.

²³ *Carmichel v. Latimer* (1877) 11 R. I. 395.

mark. About 1825 they removed their business to Margam, about forty-four miles from Carmarthen, and, with several changes as to partners, continued their business and the use of the trade-mark. From 1825 to 1836 the old works were closed. In 1836 the defendants hired the old works, began business as the "M. C. Tin Plate Co.," and manufactured the tin plates with the "M. C." mark, with the word "Carmarthen," in large characters, under the letters "M. C." A bill was brought for injunction. Shadwell, V. C., granted one, and, on appeal, Cottenham, L. C., dissolved it. He said the real question was whether the former occupants of the works had acquired a right to prevent subsequent tenants from using a mark which it was clear was originally derived from those works. The injunction was dissolved, with liberty to sue at law.²⁴

²⁴ (1837) 3 Mylne & C. 1.

In *Prince's Metallic Paint Co. v. Prince Mfg. Co.* (1893) 57 Fed. 938, 943, Acheson, Cir. J.: "But we strongly incline to the opinion that, in 1878-1879, the trade-mark 'Prince's Metallic Paint' had become so localized—so identified with the Prince mine and the place of manufacture—that it was inseparable therefrom. There is sanction for this conclusion in the adjudged cases. *Congress & Empire Spring Co. v. High Rock Congress Spring Co.*, 45 N. Y. 291, 302; *Glen & Hall Mfg. Co. v. Hall*, 61 N. Y. 226; *Pepper v. Labrot*, 8 Fed. 29; *Kidd v. Johnson*, 100 U. S. 617; *Atlantic Milling Co. v. Robinson*, 20 Fed. 217. It was the judgment of the general term of the supreme court of New York, in view of everything, that the trade-mark passed as an incident of the property to the Prince Manufacturing Company, with the possession of the works."

In *Symonds v. Jones* (1890) 82 Me. 302, 312, Emery, J.: "What is known as the 'goodwill' of the business is recognized by the law as a proper subject of sale or contract, in connection with a transfer of a business plant. An established business, with plants and products well known to the trade, has a money value often far above that of its mere plant, and this is often the controlling motive for the purchase. Labels, trade-marks, particular words and phrases devised or used to distinguish or identify the products of the plant, and associated with such products in the public mind, are in like

§ 132. Proprietor may use name of mill.

If a manufacturer has the right to label the products of his mill with his name, he has an equal right to label them with the name of the mill itself, provided the name is not unfairly assumed for the purpose, or fraudulently employed.²⁵ In *Delaware & H. Canal Co. v. Clark*, the supreme court of the United States said: "Equity will not enjoin against telling the truth."²⁶

§ 133. No exclusive right to trade-mark acquired by mortgage of lands and mill.

Where a corporation acquired, through foreclosure of a mortgage, lands containing mines from which ore had been obtained, and a mill which had been used for making paint from such ore, and which paint had been sold under a certain trade-mark, the purchasing corporation acquired nothing but the property sold, and no exclusive right to use the trade-mark. The original corporation still retained its corporate existence, its capacity to do business, its goodwill, and the right to use its trade-mark upon paints, should it acquire other mines, erect a new mill, and resume manufacturing business.²⁷

manner usually transferred with the plant, and are regarded as valuable acquisitions for the purchasers. They are, equally with the goodwill, proper subjects of such sale and contract."

²⁵ *Newman v. Alvord* (1867) 49 Barb. (N. Y.) 588; *Glendon Iron Co. v. Uhler* (1874) 75 Pa. 467; *Brooklyn White Lead Co. v. Masury* (1857) 25 Barb. (N. Y.) 416; *Candee v. Deere* (1870) 54 Ill. 439.

²⁶ (1871) 13 Wall. 311.

²⁷ *Prince Mfg. Co. v. Prince's Metallic Paint Co.* (1890) 20 N. Y. Supp. 462. This decision, which was rendered at special term, was reversed by the general term (15 N. Y. Supp. 249), and the decision of the general term was reversed by the court of appeals (135 N. Y. 32). In doing so, the court said: "The judgment dismissing the complaint rendered at special term was placed by the learned judge upon the failure of the plaintiff to establish any exclusive right to

§ 134. Personal name not transferable.

When the whole pecuniary value of a name in connection with an article of merchandise or a manufacture or a business is derived solely from the personal qualities of the one to whom the name belongs, such as his skill, special knowledge, and experience, or from the fact that the article is produced under his personal supervision, which imparts to it a special value, the right to the name is purely personal, and is not transferable.²⁸

the use of the trade-mark or label on its goods. The order of the general term reversing the judgment of the special term proceeded upon the contrary view of the question of title, and the court held that the evidence established the title claimed by the plaintiff. We feel compelled to concur in the judgment of the special term dismissing the complaint, on the ground that, assuming that the plaintiff had the exclusive right to use the label 'Prince's Metallic Paint,' it has, by its own conduct in the misuse of the trade-mark or label, forfeited any right to apply to the court for protection against its wrongful appropriation by others."

²⁸ *Hegeman v. Hegeman* (1880) 8 Daly (N. Y.) 1; *In re Swezey* (1881) 62 How. Pr. (N. Y.) 215; *Cutter v. Gudebrod Bros. Co.* (1899) 44 App. Div. (N. Y.) 605.

In *Mayer v. Flanagan* (1896) 12 Tex. Civ. App. 405, 407, 34 S. W. 785, 786, Garrett, C. J.: "The brand or trade-mark 'Magale's Monarch Whiskey' was personal to the firm of J. F. Magale, since it derived its value from the known skill, integrity, and honesty of the firm of J. F. Magale in selecting good whiskey, and selling it without adulteration. By their use of the trade-mark, the plaintiffs in error deceived their customers with the representation that the whiskey upon which it was used was selected and sold by the firm of J. F. Magale, which was not the truth, and was not intended to be the truth by the contract of assignment. It would be against public policy to enforce such a contract. Again, since the defendant in error could not assign the trade-mark, the contract was without consideration, and could not be enforced on that account."

In *Hegeman v. Hegeman* (1880) 8 Daly (N. Y.) 1, 6, Daly, C. J.: "When, however, the whole pecuniary value of the name, in its connection with an article of merchandise, or a manufacture, or a business, is derived solely from the personal qualities of the one to

§ 135. Whether trade-mark assignable depends upon effect produced by use thereof.

Where the trade-mark consists of a name, the question whether it is assignable depends upon the effect which the use of the name in each particular instance is shown to have upon the minds of the public. If it leads the public to be-

whom the name belongs, such as his skill, special knowledge, and experience, or from the fact that the article is produced under his personal supervision, which imparts to it an especial value, then the right to the name is not transmissible. It is then purely personal; and this is equally so with a trade-mark used and recognized, as denoting that the article or product is made by a particular person, whose skill, experience, or other personal quality, or whose personal experience in the fabricating, preparation, or production of it gives to it a peculiar value, which is distinguishable from a trade-mark used as a brand of quality, or of texture, fineness, or other characteristics, or to indicate that it is made in a particular establishment or manufactory, or where a name simply denotes an established business, with whatever advantages may accrue from its long establishment, the fact that it is generally or widely known, and the confidence it inspires from its duration. *Hall v. Barrows*, 10 Jur. 55, 4 De Gex. J. & S. 156-158; *Berry v. Bedford*, 33 Law J. Ch. 465; *Carmichel v. Lattimer*, 11 R. I. 395."

In *re Swezey* (1881) 62 How. Pr. (N. Y.) 215, 219, Van Hoesen, J.: "The question here is whether or not the trade-mark in question owes its value to the personal skill of Mr. Dart as a manufacturer. If it does, it does not pass by assignment, for the public must not be deceived into buying goods which, though bearing his trade-mark, are not the product of his peculiar skill. If, however, it is the machinery—the factory—which has produced superior goods, the trade-mark goes with the machinery. In other words, the trade-mark is inseparable from the particular thing which gives it value."

In *Mattingly v. Stone* (1889) 12 Ky. Law Rep. 72, 75, 12 S. W. 467, 469, Holt, J.: "It will be noticed that the words composing the brand, save the name of the appellee, are those of common use, and the right of using his name merely was a personal one to the appellee, and did not, therefore, pass to his assignee, any more than would the skill acquired by a merchant from experience in his business. *Helmbold v. Helmbold Mfg. Co.*, 17 Ark. Law Reg. (N. S.) 169."

lieve that the particular goods are in fact made by the person whose name is thus stamped upon them, or in whose name they are advertised, whereas they are in fact made by another person, then such a use of the name will not be protected by the courts, for to do so would be to protect the perpetration of a fraud upon the public.²⁹

§ 136. Trade-mark inseparable from thing which gives it value.

The question in all these cases is whether the trade-mark owes its value to the personal skill of the manufacturer. If it does, it does not pass by assignment, for the public must not be deceived into buying goods which, though bearing his trade-mark, are not the product of his peculiar skill. If, however, it is the machinery—the factory—which has produced superior goods, the trade-mark goes with the machinery. In other words, the trade-mark is inseparable from the particular thing which gives it value.³⁰

§ 137. Name of man cannot be segregated from the man himself, and from his business.

The name of a man cannot be segregated from the man himself, and from the business in connection with which the man had used it, erected into an ideal and abstract species of property, be made a subject of traffic and sale in the market from man to man, to be used in any manner in which the purchaser may choose to use it. Where the assignee of the naked right to use a trade-name claimed the exclusive right to sell goods bearing that name, it was held that he must

²⁹ *Skinner v. Oakes* (1881) 10 Mo. App. 45; *Samuel v. Berger* (1856) 4 Abb. Pr. (N. Y.) 88; *Leather Cloth Co. v. American Leather Cloth Co.* (1865) 11 H. L. Cas. 523, 534, 544.

³⁰ *In re Swezey* (1881) 62 How. Pr. (N. Y.) 215; *Mayer v. Flanagan* (1896) 12 Tex. Civ. App. 405, 34 S. W. 785.

show that the name was originally used to designate goods of a certain quality or description, and was being used by him to designate substantially goods of the same quality or description, and that the use of the name did not operate to deceive the public into the belief that the goods were made by the man whose name they bore.³¹

§ 138. Trade-mark consisting of name of individual no guaranty that articles made by individual personally.

Where a trade-mark consisting of the name of an individual was used to denote articles made by a firm of which he had been a member, it was held that such name was not a guaranty that the goods were made by the individual personally, that the use thereof by an assignee was not a fraud on the public, and that the sale of the right thereto was valid.³²

§ 139. Names held not personal.

In *Hoxie v. Chaney* it was held that the trade marks, "A. N. Hoxie's Mineral Soap" and "A. N. Hoxie's Pumice Soap," were not personal to the party whose individual name they each contained, and therefore not assignable, but were assignable; and if the assignee used them to denote soaps made according to the formulas of A. N. Hoxie, and not to denote that they were made by said Hoxie, he could maintain a bill in equity to restrain an infringement of the trade-marks.³³ In a case in the United States circuit court for the district of Connecticut it was said: "The name [Dr. J. B. Blackman's Genuine Healing Balsam], as a whole, was his trade-mark, which he had the exclusive right to use, and the

³¹ *Skinner v. Oakes* (1881) 10 Mo. App. 45.

³² *Oakes v. Fonsmierre* (1883) 49 Fed. 447.

³³ (1887) 143 Mass. 592.

exclusive use of which would pass, by assignment, to any one who had lawfully obtained from the inventor the exclusive right, also, to manufacture and sell, and who did sell, that particular article compounded according to the original formula. * * * It is not, however, necessary that an article to which a trade-mark, personal in its inception, was originally affixed, should always be manufactured at the same place where it was originally made. This particular trade-mark, being the name of the inventor, was personal to Dr. Blackman, in its inception, but has been permitted by him to be applied and to be appropriated to the same article when manufactured by Filkins Bros. Under the circumstances in which the medicine has been manufactured and sold, the use of the trade-mark does not imply that the medicine was manufactured by Jonas Blackman, but that it is the same article which he originally invented and manufactured.”³⁴

§ 140. Personal trade-mark held assignable where original proprietors supervise manufacture.

In *Meriden Britannia Co. v. Parker* it appeared that three brothers, Rogers, had made plated spoons, etc., marked with their name, and, on giving up business, had agreed that the plaintiffs might use their names in manufacturing the same goods, the manufacture to be carried on under the supervision of the Rogers brothers. Three other persons of the name of Rogers, who had been making coffin trimmings, arranged with the defendants to make the same goods with their name, “Rogers,” on them. The defendants objected that the marks used by the plaintiffs did not indicate the true origin of the goods. The court, while admitting the principle that it would not protect any mark which tended

³⁴ *Filkins v. Blackman* (1876) 13 Blatchf. 440, Fed. Cas. No. 4,786; *Bury v. Bedford* (1864) 10 Jur. 503.

to deceive the public, held that the agreement on which the plaintiffs relied was good, on the ground of the supervision above referred to.³⁵

§ 141. Question of assignability depends upon circumstances.

In *Bury v. Bedford*, a corporate trade-mark had been assigned. The question arose under the special acts governing the company, and also under the general law. Turner, L. J., in giving judgment, says: "But without going the length of saying that a mark may not, in some cases, be so completely personal as of necessity to import that the goods sold under it have been manufactured by a particular individual, and that the assignability of such a mark may not be open to objection on that ground, although the objection would, as it seems to me, apply rather to the use of the mark when assigned than to the power of assigning it, I think that all cases of this description must depend upon their particular circumstances. Much must, I think, depend upon the nature of the mark, and the mode in which it has been used. It is evident that a mark, although it may in some respects indicate the person by whom the goods have been manufactured, may refer much more closely to the place of manufacture than to the person of the manufacturer; and it is not less evident that a mark, although personal in its inception, may, from the mode in which it has been used, have become appropriated to goods manufactured at particular works."³⁶

§ 142. Purchasers of trade-marks should indicate change.

The purchasers of trade-marks should not use them without change, if they indicate that the article to which they

³⁵ (1872) 39 Conn. 450.

³⁶ (1864) 4 De Gex, J. & S. 352, 33 Law J. Ch. 465, 4 N. R. 180.

are applied is made by the original proprietor. In such a case, words must be added showing that the original proprietor has retired, and that the goods are made by his successor.³⁷

§ 143. Trade-mark not assignable where its use would deceive public.

In the case of *Partridge v. Menck*, it appeared that one Golsh had acquired a reputation for making matches, and the complainant succeeded to his business, and continued to use his name. The vice-chancellor and the chancellor had refused an injunction, on the ground that the defendant's labels were sufficiently dissimilar from the plaintiff's, and that, on them, the defendant represented himself as "late chemist for A. Golsh." When it came before the court of appeals, the result was the same; but it was put, and by one of the judges chiefly, on the ground of the misrepresentation in the plaintiff's label. "The statement of the label was false. The matches were not Golsh's matches, in the sense in which it was intended that purchasers should understand these terms. * * * Verbal declarations to a purchaser of the same kind, with a view to a sale of this article, it was conceded, would have been fraudulent." "The privilege of deceiving the public, even for their own benefit, is not a legitimate subject of commerce."³⁸

In *Samuel v. Berger* it appeared that the plaintiffs had purchased from Brindle the right to use his name on watches made by them. The defendant was selling watches actually made by Brindle. The court says: "The plaintiffs ask this

³⁷ *Symonds v. Jones* (1890) 82 Me. 302; *Stachelberg v. Ponce* (1888) 128 U. S. 686; *Manhattan Medicine Co. v. Wood* (1883) 108 U. S. 218. But see *Fulton v. Sellers* (1867) 4 Brewst. (Pa.) 42.

³⁸ (1847) 2 Sandf. Ch. (N. Y.) 622, 2 Barb. Ch. (N. Y.) 101, 1 How. Ct. App. Cas. (N. Y.) 547; *Cox, Man. Trade-Mark Cas.* No. 91.

court to aid them in passing off on the public watches manufactured by them, and held out to the public as made by Brindle, when, in truth, the watches made by Brindle, and stamped by him with his name, are those which the defendants seek to sell." The injunction prayed for was refused.³⁹

§ 144. Transfer of trade-mark apart from business confers no title on transferee.

The mere sale of a trade-mark apart from the article to which it is affixed confers no right of ownership, because no one can claim the right to sell his goods as goods manufactured by another. In *Chadwick v. Covell*, where a manufacturer of medicines according to secret formulas of his own, which he sold under various names and labels, died, and his administratrix transferred the formulas and trade-marks by way of gift to one who proceeded to make the medicines with her own plant and appliances, and to sell them under the same names and labels, and, subsequently, the administratrix *de bonis non* of the original manufacturer conveyed by deed the same formulas and trade-marks to another, who began to make and sell the medicines in the same way as the donee, it was held that the donee, even if the gift were valid, had no such exclusive right to make the medicines or to use the trade-marks as entitled him to prevent the grantee from making and using them.⁴⁰ And in *Marshall v. Pinkham*, where the plaintiff's father, having a recipe for a liniment not discovered or invented by himself, or protected by a patent, communicated the recipe to various members of his own family, and permitted each, for his own

³⁹ (1856) 24 Barb. (N. Y.) 163, 4 Abb. Pr. (N. Y.) 88.

⁴⁰ (1890) 151 Mass. 190. See, also, *Weston v. Ketcham* (1876) 51 How. Pr. (N. Y.) 455; *Covell v. Chadwick* (1891) 153 Mass. 263; *Witthaus v. Mattfeldt* (1875) 44 Md. 303.

benefit, to manufacture the article and sell it with a label furnished by the father, and bearing his name, but with the address of the particular member of the family manufacturing, and where, after the death of the father, the widow continued for some years to manufacture and sell the liniment under the same label, and then sold the material and paraphernalia of her business to plaintiff, it was held that plaintiff acquired no exclusive right to manufacture the liniment, or to use the label or the name.⁴¹

§ 145. **Leading English case of Leather Cloth Co. v. American Leather Cloth Co.**

In the case of *Leather Cloth Co. v. American Leather Cloth Co.*,⁴² an English company had purchased the business of an American company, and applied for an injunction against persons using certain marks, representing their goods as being the article known as "Crockett's Leather Cloth," etc. Wood, V. C., had granted an injunction, and, on appeal, Westbury, L. C., reversed his decision, and this reversal was confirmed by the house of lords. Some of the remarks of the lord chancellor and of the lords illustrate the rules relating to the transfer of trade-marks. In his decision, the lord chancellor said: "But suppose an individual or a firm to have gained credit for a particular manufacture, and that the goods are marked or stamped in such a way as to denote that they are made by such person or firm, and that the name has gained currency and credit in the market (there being no secret process nor invention), could such person or firm, on ceasing to carry on business, sell and assign the right to use such name and mark to another firm, carrying on the

⁴¹ (1881) 52 Wjs. 572.

⁴² (1863) 4 De Gex, J. & S. 137, 11 Wkly. Rep. 931, 1 Hem. & M. 271, (1865) 11 H. L. Cas. 523.

same business in a different place? Suppose a firm of A., B. & Co. to have been clothiers, in Wiltshire, for fifty years, and that broadcloth marked 'A., B. & Co. Makers, Wilts.,' has obtained a great reputation in the market, and that A., B. & Co., on discontinuing business, sell and transfer the right to use their name and mark to a firm of C., D. & Co., who are clothiers in Yorkshire, would the latter be protected by a court of equity in their claim to an exclusive right to use the name and mark of A., B. & Co.? I am of opinion that no such protection ought to be given. It is true that a name or the style of a firm may, by long usage, become a mere trade-mark, and cease to convey any representation as to the fact of the person who makes, or the place of manufacture; but where any symbol or label, claimed as a trade-mark, is so constructed or worded as to make or contain a distinct assertion which is false, I think no property can be claimed in it, or, in other words, the right to the exclusive use of it cannot be maintained. To sell an article stamped with a false statement is *pro tanto* an imposition on the public, and therefore, in the case supposed, the plaintiff and defendant would be both *in pari delicto*. This is consistent with many decided cases." And again, the complainant "desires to restrain the defendant from selling his own goods as the goods of another person; but if, by the use of the trade-mark in question, the plaintiff himself is representing and selling his goods as the goods of another, or if his trade-mark gives a false description of the article, he is violating the rule on which he seeks relief against the defendant."

Lord Cranworth said: "But I further think that the right to a trade-mark may, in general, treating it as property, or as an accessory of property, be sold and transferred upon a sale and transfer of the manufactory of the goods on which the mark has been used to be affixed, and may be lawfully
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used by the purchaser. Difficulties, however, may arise where the trade-mark consists merely of the name of the manufacturer. When he dies, those who succeed him (grandchildren or married daughters, for instance), though they may not bear the same name, yet ordinarily continue to use the original name as a trade-mark, and they would be protected against any infringement of the exclusive right to that mark. They would be so protected, because, according to the usages of trade, they would be understood as meaning no more by the use of their grandfather's or father's name than that they were carrying on the manufacture formerly carried on by him. Nor would the case be necessarily different if, instead of passing into other hands by devolution of law, the manufactory were sold and assigned to a purchaser. The question in every such case must be whether the purchaser, in continuing the use of the original trade-mark, would, according to the ordinary usages of trade, be understood as saying more than that he was carrying on the same business as had been formerly carried on by the person whose name constituted the trade-mark. In such a case I see nothing to make it improper for the purchaser to use the old trade-marks, as the mark would, in such a case, indicate only that the goods so marked were made at the manufactory which he had purchased."⁴³

Lord Kingsdown said: "Though a man may assign his business, and the use of his firm and of his trade-mark as belonging to it, that proceeds, in my opinion, upon the ground which I have stated,—that the use of the name of the firm is not understood in trade to signify that certain individuals, and no others, are engaged in the concern. Though a man may have a property in a trade-mark, in the sense of having a

⁴³ *Leather Cloth Co. v. American Leather Cloth Co.* (1865) 11 H. L. Cas. 534.

right to exclude any other trader from the use of it in selling the same description of goods, it does not follow that he can, in all cases, give another person a right to use it, or to use his name. If an artist or an artisan has acquired, by his personal skill and ability, a reputation which gives to his works in the market a higher value than those of other artists or artisans, he cannot give any other persons the right to affix his name or mark to their goods, because he cannot give to them the right to practice a fraud upon the public.”⁴⁴

§ 146. Sale of woodcuts does not transfer trade-mark.

The sale or transfer of the woodcuts of a trade-mark does not carry with it property in the trade-mark itself, unless under circumstances indicating that such was the intention, and this will not be inferred where they were transferred, to be used in printing labels to be placed upon an article which, by agreement, was to be manufactured under the supervision of the proprietor of the trade-mark.⁴⁵

§ 147. Assignment of invalid registered mark insufficient to support injunction.

No title sufficient to support an injunction is conferred by the assignment of a registered trade-mark, where the registry has been declared void as based on unconstitutional legislation.⁴⁶

§ 148. Assignment in bankruptcy carries trade-mark.

A trade-mark, and the name by which a business has become known, involving what is understood by the goodwill,

⁴⁴ *Leather Cloth Co. v. American Leather Cloth Co.* (1865) 11 H. L. Cas. 544.

⁴⁵ *Lockwood v. Bostwick* (1869) 2 Daly (N. Y.) 521.

⁴⁶ *White v. Schlect* (1888) 14 Phila. (Pa.) 88.

will pass under a voluntary assignment, transferring the insolvent's property of every nature and kind for the payment of his debts, unless the value of the name has arisen from, and depends solely upon, the personal qualities or personal supervision of the one to whom it belongs. Or it may be sold by order of the court, whether it be attached to a new business or one long existing.⁴⁷

⁴⁷ *Hegeman v. Hegeman* (1880) 8 Daly (N. Y.) 1; *Glen & Hall Mfg. Co. v. Hall* (1874) 61 N. Y. 226; *Pepper v. Labrot* (1881) 8 Fed. 29; *Sarrazin v. W. R. Irby Cigar & Tobacco Co.* (1899) 93 Fed. 624; *Mattingly v. Stone* (1889) 12 Ky. Law Rep. 72, 12 S. W. 467, (1890) 14 S. W. 47.

In *Sarrazin v. W. R. Irby Cigar & Tobacco Co.* (1899) 93 Fed. 624, 626, Pardee, Cir. J.: "The law of Louisiana requires a cession of all the property of the insolvent debtor, and, upon acceptance of the cession by the court, vests such property immediately in the creditors. Rev. St. La. § 1791. It seems to be now settled beyond dispute that both in the state and federal courts a cession does include all the property of the debtor, whether the same is mentioned in the schedule of his property, or whether the debtor intended to surrender it, or not. The cession offered and accepted by the court vests the property of the debtor in the creditors, in any and every event. *Muse v. Yarborough*, 11 La. 521; *Dwight v. Simon*, 4 La. Ann. 490; *Bank of Tennessee v. Horn*, 17 How. (U. S.) 157; *Geilinger v. Philippi*, 133 U. S. 246, 10 Sup. Ct. 266."

In *Pepper v. Labrot* (1881) 8 Fed. 29, 39, 45, Matthews, Cir. J.: "The complainant having, upon his own petition, been declared a bankrupt, filed the required schedule of his assets and liabilities, in which he described the tract of land inherited from his brother as including the 'Old Oscar Pepper Distillery,' and as such it was known at the time the title became vested in the defendants. The clear result of the whole evidence seems, in our opinion, to be that the complainant adopted the name of 'Old Oscar Pepper Distillery' as the name of his distillery, in order that the whiskey manufactured by him there might have the reputation and whatever other advantages were to result from that association. That distillery having now become the property of the defendants by purchase from the complainants [through sale by the assignee in bankruptcy, and by mesne conveyances], can they (defendants) be denied the right of using

§ 149. Assignment to trustee of all assets carries trade-mark.

Where an insolvent corporation assigned and conveyed to a trustee "all its estate and property of whatever kind and wherever situated," in trust for the benefit of its creditors, with power to sell either at public or private sale, it was held that the deed of assignment, by legal operation, passed the goodwill of the business, with the brand or trade-mark thereof, with the right and power in the trustee to sell the same with the manufacturing establishment, and that purchasers from the trustee, upon the ratification of the sale, would acquire the exclusive right to such goodwill and trade-mark of the business, as fully and in like manner as the same were used by the manufacturing company before the assignment.⁴⁸

§ 150. Instance of general assignment not passing trade-mark.

But it has been held that a general assignment in insolvency is inoperative, in respect to passing a right to a trade-mark, if the right was not inventoried by the trustee or appointed by the name by which it was previously known in the prosecution of the business of operating it, and of describing the whiskey made by them as its product? Can the complainant be permitted to use the brand or mark formerly employed by him to represent whiskey made by him elsewhere as the actual product of this distillery? Both these questions, in our opinion, must be answered in the negative. * * * The words 'Old Oscar Pepper Distillery' never lost their primary signification, and never acquired any secondary meaning, and, as applied to whiskey made by the complainant, the words 'Old Oscar Pepper,' and their abbreviation, 'O. O. P.,' never came to mean more than whiskey that had been made at that particular distillery. They did not become a denomination of whiskey as the manufacture of the complainant or of any person, but characterized it only as entitled to public favor by reason of the reputation of the particular distillery at which it purported to have been made. For these reasons, we are of opinion that the equity of the case, both upon the original and cross bills, is with the defendants."

⁴⁸ Wilmer v. Thomas (1891) 74 Md. 485.

praisers, and never claimed by the trustee or creditors of the insolvent, nor in any manner disposed of under the assignment.⁴⁹

§ 151. No distinction between sale by proprietor and sale by assignee.

There is no distinction between the sale by a man of his business goodwill and trade-mark and the sale of them by the assignee in bankruptcy of all the bankrupt's assets of every

⁴⁹ *Bradley v. Norton* (1865) 33 Conn. 157. See, also, *Bellows v. Bellows* (1898) 24 Misc. Rep. (N. Y.) 482; *In re Adams* (1898) 24 Misc. Rep. (N. Y.) 293.

In *Re Adams* (1898) 24 Misc. Rep. (N. Y.) 293, 295, Russell, J.: "The supposed trade-mark is substantially the name of the assignor Robert Adams, who did business under the name of R. & H. Adams. If his name is of value as a trade-mark, it was made so by the skill and energy with which he associated that name in his conduct of the business prior to the assignment. If it shall now forever be transferred to a stranger to be used, by an involuntary transfer so far as Robert Adams is concerned, and alone by force of an assignment of the name by the general assignee whose duty ends with the conversion of the property of the assignor into money for the payment of debts, then we have the case of a stranger using a name not associated with his own business solely by force of the assignment, while the assignor himself is debarred forever from using his own name in his future efforts to retrieve his fortunes by intelligence and energy in any way that would lead the public to believe that the same person was manufacturing and vending goods who formerly manufactured the same line under the name 'R. & H. Adams.' No authority has yet been cited by counsel to justify such result."

In *Bellows v. Bellows* (1898) 24 Misc. Rep. (N. Y.) 482, 484, Stover, J.: "But, without discussing these inconclusive and hazy rights, the main, if not the sole, contention of the plaintiff, that he acquired by assignment a right to use the name, is utterly without foundation. While it is true that a person may, by proper assignment, convey the right to use his name in any business, yet such assignment must be an unequivocal and direct conveyance of such right, and such right would not pass under the ordinary phraseology of a general assignment for the benefit of creditors."

kind, and the insolvent has no right afterwards to use the trade-marks which were the marks of that business, or to use the name or title of the firm as representing himself as continuing the business, all the rights of which passed to his assignee and to the purchaser under the judgment. He has no right to represent himself as continuing the identical business that was sold by his assignee to another, which does not, however, debar him from going into the same business again, and indicating the fact of his having been in the former one, or from alleging anything respecting the new business, unless it be done with a design to impair the right of the purchaser of the former business, or to mislead the public.⁵⁰

§ 152. Right to use name and knowledge cannot be taken by judicial proceeding.

Although a person can, by voluntary sale and assignment, transfer the right to use his own knowledge and name, the right to use his own knowledge and name cannot be taken from him, through the order of a bankrupt court, or any other judicial proceeding whatever.⁵¹

§ 153. Administrator of assignee has no title to trade-mark.

The administrator of the deceased general assignee of a firm takes no title to the firm assets, and hence a former partner of the firm, who claims title to one of the trade-marks under a transfer made by the administrator without authority by the court, cannot maintain an action to restrain its use by his partner in a new firm, formed after the old firm had made a general assignment.⁵²

⁵⁰ *Hegeman v. Hegeman* (1880) 8 Daly (N. Y.) 1; *Dixon Crucible Co. v. Guggenheim* (1869) 2 Brewst. (Pa.) 321; *Rorke v. Societe des Huiles D'Olive de Nice* (1897) 14 App. Div. (N. Y.) 173.

⁵¹ *Helmbold v. Helmbold Mfg. Co.* (1877) 53 How. Pr. (N. Y.) 453.

⁵² *Hayne v. Sealy* (1898) 22 Misc. Rep. (N. Y.) 243.

§ 154. Trade-mark cannot be levied upon by execution.

A trade-mark cannot be levied upon and sold under execution as a species of tangible property, unless under the authority of a local statute authorizing such a sale. A statute is not to be construed as authorizing any one to purchase a trade-mark and affix it to his own product, where such construction would permit of a fraud or deception being perpetrated upon the public.⁵³

⁵³ Prince Mfg. Co. v. Prince's Metallic Paint Co. (1890) 20 N. Y. Supp. 462.

CHAPTER VII.

JOINT OWNERSHIP OF TRADE-MARKS.

§ 155. In General.

156. Arising by Agreement.

157. Arising by Transfer.

158. Arising by Succession to Business.

159. Arising by Dissolution of Partnership.

§ 155. In general.

While it has been said by Mr. Justice Clifford that "trade-marks are an entirety, and are incapable of exclusive use at different places by more than one independent proprietor,"¹ this does not preclude the joint ownership of a trade-mark under certain circumstances, and there are several different ways in which such joint ownership may arise. Where several different individuals, firms, or corporations jointly own a trade-mark, the co-owners are together entitled to the exclusive use thereof, and it has been said that perhaps each may be entitled to such exclusive use as to all other persons except his associates in ownership.²

§ 156. Arising by agreement.

It has been held by the court of appeals of Kentucky³ that, where the mineral water from two springs located at some

¹ Manhattan Medicine Co. v. Wood, 4 Cliff. 461, Fed. Cas. No. 9,026, Cox, Manual Trade-Mark Cas. 359.

² New York & Rosendale Cement Co. v. Copley Cement Co. (1891) 45 Fed. 212. See, also, Newman v. Alvord (1872) 51 N. Y. 189.

³ Northcutt v. Turney (1897) 101 Ky. 314. See, Cleveland Stone Co. v. Wallace (1892) 52 Fed. 421.

distance apart, and belonging to distinct firms, seems to be composed of the same ingredients, and to have the same kind and combination of medicinal qualities, and the same trade-mark has been properly and legally adopted by each of the respective owners without objection by the other, they have a common interest in preventing a third person from illegally appropriating and using the trade-mark, and have a right to jointly maintain an action for that purpose. Where a trade-mark is thus adopted or continued by agreement between two or more manufacturers or vendors, they may be considered, not as "independent" proprietors, in the sense in which that term was used by Justice Clifford, but rather as dependent proprietors, each using the mark by agreement with the other. In this way there can be a joint adoption of a trade-mark by distinct manufacturers or vendors, and it would seem, upon principle, that it is only by some such agreement that there can be a joint adoption of a trade-mark. Even then it would seem necessary, in order that the trade-mark may perform its office of pointing distinctly to the manufacturer or vendor of the article, that each proprietor should so use the mark as to distinguish his goods from those of the other proprietor. This might be done by each proprietor using, with the mark, his own name and address.

This view is well illustrated in two decisions by the United States circuit court of appeals for the seventh circuit. In these cases it appeared that the complainant and defendant's predecessors, James H. and Charles G. Smith, had entered into a contract specifying the manner in which each should use the word "Hygeia" as a trade-mark for mineral water. The agreement recited that the complainant was engaged in the manufacture or preparation of distilled water, for which it had used, as the essential feature of its trade-mark, the word "Hygeia," and a figure of the goddess Hygeia; that the

Smiths owned a spring at Waukesha, called the "Hygeia Natural Mineral Spring," and had used as an essential feature of their trade-mark, in the sale of the waters, the words "Waukesha Hygeia Mineral Springs," together with another figure of the goddess Hygeia. The contract stated that it was made "to avoid conflict and infringement in the use of both of their respective trade-marks." The contract provided in substance that the first party, the complainant, should use the word "Hygeia" and its figure of the goddess in connection only with carbonated and artificial mineral water, etc.; that the second party should use the word "Hygeia" only in the combination "Waukesha Hygeia Mineral Springs," etc. The court held that this was not an attempt to transfer or license the use of the trade-mark, or any rights therein, or in any word thereof, but that the contract fixed and defined the existing trade-mark of each party, that confusion and infringement might be prevented; that the contract did not create the trade-mark, but that it was clear evidence of its purpose and elements. Where the defendant, after acquiring the spring owned by the second parties to the contract, succeeded to their business, ignored the contract, and used the word "Hygeia" alone for the Waukesha water, an injunction was granted by the circuit court, and the decree was affirmed by the court of appeals,⁴ but it was held that the defendant could not be enjoined from making the word "Hygeia" more conspicuous than the rest of the trade-mark.⁵

§ 157. Arising by transfer.

A business in which trade-marks are used may be trans-

⁴ Waukesha Hygeia Mineral Springs Co. v. Hygeia Sparkling Distilled Water Co. (1894) 11 C. C. A. 277, 63 Fed. 438.

⁵ Waukesha Hygeia Mineral Springs Co. v. Hygeia Sparkling Distilled Water Co. (1894) 11 C. C. A. 282, 63 Fed. 443.

ferred so as to give the transferee a right to use the trade-mark in common with the transferrer, or so as to vest the right to use the trade-mark in two or more transferees. In *Fish Bros. Wagon Co. v. La Belle Wagon Works*,⁶ it appeared that the business of a firm of wagon manufacturers, named Fish Bros., located at Racine, Wis., together with all the property and assets of the firm, passed to Fish Bros & Co., agents, thence into the hands of a receiver, and thence to a corporation under the name of Fish Bros. Wagon Co. Through the successive changes, the Fish brothers remained in the business and became officers of the corporation, although the majority of the stock was owned by others. During all this time the wagons were marked "Fish Bros.," "Fish Bros. & Co., Agents," or "Fish Wagons," or with the picture of a fish, on which were the words "Bros.," "Bros. & Co.," or "Wagon," and were advertised under those names and with said picture. Several years after the organization of the corporation, the Fish brothers withdrew therefrom, and formed a partnership to manufacture and deal in wagons in another place, under the name of Fish Bros. & Co. An ac-

⁶ (1892) 82 Wis. 546. It is believed that this case is not entirely free from doubt, and there seems to be a good deal of force in the dissenting opinion, delivered by Judge Winslow, which reads as follows: "I agree that the words, 'Fish Bros. Wagon,' and the rebus of the fish, were trade names or labels appertaining to the business transacted at the Racine factory, and that the right to use such names or labels upon wagons was acquired by the plaintiff by its purchase of that business. Such a right is, in its very nature, exclusive, and, if the plaintiffs own it, the defendants manifestly do not own it. In my judgment, the defendants have no right to mark their wagons with either the words or the rebus. Probably they have the right to use the firm name 'Fish Bros. & Co.,' if they do not use it in such a way as to mislead the public, but this will not give them the right to use a trade name or label on their wagons which is the distinctive mark of the product of the Racine factory, and the right to use which has passed from the defendants, T. G. and E. B. Fish, to that concern."

tion was brought against them by the corporation, and it was held that, while the corporation had acquired the goodwill of the original business, and the right to use the said names and picture as a trade-mark, although the same were not specifically mentioned in any of the transfers of the business of the corporation, there having been no agreement giving the corporation the exclusive right to such names and picture as trade-marks, the new firm also had the right to use the same in advertising and upon their wagons, provided they did not use them in a way calculated to induce persons to buy their wagons as and for those manufactured by the corporation. In the later case of *Fish Bros. Wagon Co. v. Fish Bros. Mfg. Co.*, it was held by the United States circuit court for the northern district of Iowa that neither party could be restrained from using such trade-mark or trade-name at the suit of the other, although it was not open to either to give out or claim that it manufactured the only genuine article of that name. Undoubtedly, in the *Fish Bros. Case* in the Wisconsin supreme court, the turning point in the decision is to be found in the personal character of the trade-marks involved. The court quoted from *Brown Chemical Co. v. Meyer*, 139 U. S. 540, the statement that "the owner of a trade-mark bearing his own name, which is affixed to articles manufactured at a particular establishment, may, in selling the latter, confer upon the purchaser exclusive authority to use the trade-mark," and held that, as in the case at bar there was no agreement giving such exclusive right to the plaintiff, the defendants were at liberty to apply the trade-marks to the wagons and other vehicles manufactured by them, provided they did it in a way not calculated to induce persons to buy the same as and for those manufactured by the plaintiff.⁷

⁷ *Fish Bros. Wagon Co. v. Fish Bros. Mfg. Co.* (1898) 87 Fed. 293. (266)

In the case of *McAllister v. Stumpp & Walter Co.*⁸ it was held by the New York supreme court, where the owner of a right to manufacture certain proprietary articles sold his right to the plaintiff's assignor, and afterwards transferred the same rights to a corporation, which subsequently became insolvent, and the receiver sold the same rights to the defendant, and plaintiff's assignor gave notice of his ownership to the receiver only, attended the sale, made there no claim of title, and subsequently sold his right to the plaintiff, that the knowledge of the original owner as to his own sale to plaintiff's assignor could not be imputed to the corporation; that, by the original owner's transfer, a right to manufacture the articles passed to the corporation, and by the receiver's sale to the defendant; that the plaintiff had also acquired a right to manufacture the articles; that neither party had a sole right to such manufacture; that both parties were entitled to vend the goods under the same general designations, and that an injunction should issue upon this ground to restrain the defendant from styling itself the 'Sole Proprietor' of the articles, whether or not the rights were properly to be viewed as rights of trade-mark. Such acts of defendant would amount to an unfair method of trade competition as against the plaintiff.

§ 158. Arising by succession to business.

Where a manufacturer, the owner of a trade-mark, dies intestate, and his business and trade-mark are not disposed of by himself by will or otherwise, nor by his administrator, his heirs at law, who are separate successors in his business, have equal rights to use such trade-mark, if in so doing they make no false representations.⁹

⁸ (1898) 25 Misc. Rep. (N. Y.) 439.

⁹ *Emerson v. Badger* (1869) 101 Mass. 82.

In the case of *Pratt's Appeal*,¹⁰ which was an action to restrain the defendant from using plaintiff's trade-mark, it appeared that the plaintiffs were farmers, and engaged in the dairy business; that they made what was known in many portions of the country as the "Darlington Butter," which was an article of such superior quality as to command a ready sale and a high price; that the plaintiffs and their immediate ancestors had been engaged in making this butter for a period of about three-quarters of a century; that during all this period the butter had been stamped with a peculiar print, claimed as a trade-mark, the distinguishing features of which were a cornucopia and the name "Darlington"; that this trade-mark had been originally adopted by the grandfather, and, after his death, by the father of plaintiffs; that, after the death of the father, his sons, the plaintiffs, without evidence of administration and distribution of the father's estate, continued the same manufacture and the use of the same trade-mark. Subsequently they separated, and each engaged independently upon the same manufacture, by agreement severally using the same trade-mark, but specialized by their proper names printed thereunder. The court held that the plaintiffs had the exclusive right to such use as against a stranger who had never acquired the right to use it in any way. In the opinion of the court it is said: "It was urged, however, that, conceding this symbol to have been a valid trade-mark in the hands of Jesse Darlington, or even of Jared, that, upon the death of the latter, it ceased to be the property of any one, and that its use by several members of the family of the latter destroyed its distinctive features, and left it open to the public to appropriate it. We cannot assent to this proposition. * * * When Jared Darlington died, his children appropriated this device or symbol to

¹⁰ (1888) 117 Pa. 401.

their own use. They did so before any one else appropriated or attempted to appropriate it. By an amicable arrangement between themselves, each one was allowed to use the cornucopia as a device, each pound of butter being stamped, in addition, with the name of its manufacturer. It was all Darlington butter. There was no fraud upon the public nor any one else in this. It was not sold as the butter of either Jesse or Jared Darlington. They were both deceased, and it is fair to presume their customers knew it. The business was continued by their descendants, bearing the name of Darlington, in the same place and with the same skill. There is no pretense that the butter now made by the present members of the family is not equal in every respect to the best made by their ancestors. Under such circumstances, their trade-mark cannot be interfered with by a stranger, who has never acquired a right in any way to use it."

In the *Leather Cloth Case*¹¹ it was said by Lord Cranworth: "The right to a trade-mark may, in general, treating it as property or as an accessory of property, be sold and transferred upon a sale and transfer of the manufactory of the goods on which the mark has been used to be affixed, and may be lawfully used by the purchaser. Difficulties, however, may arise where the trade-mark consists merely of the name of the manufacturer. When he dies, those who succeed him (grandchildren or married daughters, for instance), though they may not bear the same name, yet ordinarily continue to use the original name as a trade-mark, and they would be protected against any infringement of the exclusive right to that mark. They would be so protected because, according to the usages of trade, they would be understood as meaning no more by the use of their grandfather's or

¹¹ *Leather Cloth Co. v. American Leather Cloth Co.* (1865) 11 H. L. Cas. 523.

father's name than that they were carrying on the manufacture formerly carried on by him."

It has also been held by the supreme court of the United States¹² that, when a trade-mark is affixed to articles manufactured at a particular establishment, and acquires a special reputation in connection with the place of manufacture, and that establishment is transferred either by contract or operation of law to others, the right to the use of the trade-mark may be lawfully transferred with it. Under this rule, when such an establishment is transferred by operation of law to several persons, with equal interests to each, it would seem that each would have an equal right to the use of the trade-mark connected with the business, provided each could use it without misrepresentation. As said in the Pratt Case: "While the cases are not uniform upon the subject, there is ample and recent authority for saying that not only a business and its accompanying trade-mark may pass from a parent to his children without administration, but that the business may be divided among the children, and each will have the right to the trade-mark, to the exclusion of all the world except his co-heirs."

§ 159. Arising by dissolution of partnership.

Upon the dissolution of a partnership which has acquired proprietorship in the trade-mark, if it is not sold with the other firm assets, it remains the property of the individual members, and either partner may continue to use such trade-mark unless he has conferred upon the other an exclusive right to do so. This proposition is established by numerous decisions.¹³

¹² Kidd v. Johnson (1879) 100 U. S. 617.

¹³ Hazard v. Caswell (1883) 93 N. Y. 259; Caswell v. Hazard (1890) 121 N. Y. 487; Baldwin v. Von Micheroux (1893) 5 Misc. Rep. (N. Y.) 386; Snyder Mfg. Co. v. Snyder (1896) 54 Ohio St. 66; Smith v. Walker (1885) 57 Mich. 456; Taylor v. Bothin (1879) 5 Sawy. 584, Fed. Cas. No. 13,780; Young v. Jones (1879) 3 Hughes, 274, Fed. Cas. No. 18,159.

CHAPTER VIII.

TRADE OR COMMERCIAL NAMES.

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§ 160. Definition.

A trade or commercial name is a name under which a business is carried on, or by which it is designated, or the name

of the place at which a business is located. In the former instance it may be the name or names of one or more individuals, or the name of a firm, an association, or a corporation. A trade-name should be considered and treated the same as a trade-mark. If the name is arbitrary or fanciful, the adopter and user may acquire an exclusive right thereto, and may prohibit others from using it, even though such use is innocent or accidental, and no element of fraud is present. A great many terms used as trade-names, however, are of such character that they cannot be exclusively appropriated, and, in seeking to protect such names, reliance must be placed on the doctrine of unfair competition. There is a great deal of confusion in the decided cases upon this branch of the subject, for the reason that courts have not always distinguished between cases involving trade-names that can be exclusively appropriated and those in which relief, if granted at all, must be granted on the grounds of unfair competition. In other cases where injunctions have been refused it is probable that, if the cases had been presented as cases of unfair competition, relief would have been afforded. A trade or commercial name differs from a trade-mark in that it is not affixed or applied to a commercial article. In a strict sense, the term "trade-mark," as heretofore pointed out, is applicable only to a mark or device that is affixed or applied to a commercial article to indicate origin or ownership. A trade-name is not so applied, but the courts protect it on grounds analogous to those on which trade-marks are protected. Where the trade-name is one that is capable of exclusive appropriation, an injunction will be granted against an innocent or accidental use thereof by others; but where the name is merely a descriptive or geographical term, or one which others have an equal right to use, an injunction will be granted only for the purpose of preventing unfair competi-

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tion in business. In many instances where a trade-mark consists of a word or symbol, the goods upon which it is used are spoken of in the trade by such name, or by a word representing the symbol used as the trade-mark. An illustration of this is found in the term "Rogers' Goods," the word "Rogers" being stamped upon the articles as a trade-mark. Another illustration may be found in the term "Anchor Brand," the representation of an anchor being the trade-mark. In some instances the courts have used the term "trade-name" for the purpose of designating these spoken trade-marks, and in other instances have used the terms "trade-name" and "trade-mark" as synonymous. In most cases, however, the term "trade-name" has been properly restricted to the names of business organizations, or places of business, and the term "trade-mark" to names or symbols that are affixed or applied to commercial articles.¹

The name of a business organization, or of a place of business, may be at the same time both a trade-name and a trade-mark. It may be the name of the business organization, or may designate the place of business. This makes it a trade-name. It may be affixed or applied to the commercial articles produced by such business organization, or at such place of business, and it may then become a technical trade-mark. An instance of this is found in the term "The Saratoga," which had been used as the name of a saloon, and was also used as a trade-mark on the liquors, cigars, etc., sold therein. The court said: "It clearly appears from the proof, and the chancellor so found, that the appellees purchased of Knaner

¹ Koehler v. Sanders (1890) 122 N. Y. 65; Hoyt v. Hoyt (1891) 327; Bingham School v. Gray (1898) 122 N. C. 708. 527; Cady v. Schultz (1895) 19 R. I. 193; N. K. Fairbank Co. v. Luckel, King & Cake Soap Co. (1900) 42 C. C. A. 376, 102 Fed. 143 Pa. 623; William Rogers Mfg. Co. v. Simpson (1887) 54 Conn.

the sole and exclusive right to the use of the word 'Saratoga' as a business name, title, trade-mark, and brand for goods sold under the name. The business was extensively advertised by labels on the bottles of the firm, and by circulars; and while this name did not indicate the make of the goods, it came to indicate with the trade a superior selection of fine goods by D. Mathey & Co., proprietors. The value of the name as a trade-name and trade-mark—for it was both—is shown by satisfactory proof."²

² *Dewitt v. Mathey* (1896) 18 Ky. Law Rep. 257, 35 S. W. 1113.

In *Hoyt v. Hoyt* (1891) 143 Pa. 623, it is said: "A trade-name may, in a general way, be treated as a trade-mark, and protected in the same manner. When a business has been conducted by some person or firm under a particular trade-name until the public come to regard the name as affording an assurance of the good quality of the article bearing it, the name is a valuable part of the business assets of the person or firm whose skill and integrity have won confidence for it. A rival who should appropriate the trade-name to his own use without the consent of the owners, and put his goods on the market bearing it, as though they were made by the rightful owner of the trade-name, is guilty of a fraud on the public, and a fraudulent taking from the proprietors, which is, both in intent and effect, a larceny; but when such rival puts his goods on the market on their own merits, and under his trade-name, his neighbors have no just grounds of complaint, if he has imitated, adopted, or improved upon their unpatented methods and processes." See *Putnam Nail Co. v. Dulaney* (1891) 140 Pa. 205.

In *N. K. Fairbank Co. v. Luckel, King & Cake Soap Co.* (1900) 42 C. C. A. 376, 102 Fed. 327, the United States circuit court of appeals for the ninth circuit says: "The trade-name differs from the trade-mark in this: that one appeals to the ear more than to the eye."

In *Cady v. Schultz* (1895) 19 R. I. 195, it is said: "A trade-name is of a different character [from a trade-mark]. It is descriptive of the manufacturer or dealer himself as much as his own name is, and frequently, like the names of business corporations, includes the name of the place where the business is located. If attached to goods, it is designed to say plainly what a trade-mark only indicates by association and use. The employment of such a name is

In an action for infringement of a trade-name, where the palpable identity of the names is likely to lead to confusion and result in damage, the plaintiff need not show that any pecuniary damages have resulted. The injury necessary to sustain the action is implied in the act of the defendant in wrongfully appropriating the name of the plaintiff, nor is the motive of the defendant in assuming the name in such case material.³

subject to the same rules which apply to the use of one's own name of birth or baptism. Two persons may bear the same name, and each may use it in his business, but not so as to deceive the public, and induce customers to mistake one for the other. The use of one's own name is unlawful if exercised fraudulently to attract custom from another bearer of it. Trade-marks, properly so-called, may be violated by accident or ignorance. The law protects them, nevertheless, as property. Names which are not trade-marks, strictly speaking, may be protected likewise if they are taken with fraudulent intention, and if they are so used as to be likely to effect such intention."

In *Bingham School v. Gray* (1898) 122 N. C. 699, the supreme court of North Carolina said: "As a rule, a trade-mark cannot be taken in a surname, and any one named 'Bingham' could start a school called the 'Bingham School,' in the absence of proof of intent to injure or fraudulently attract the benefit of the good name and reputation acquired by a previously existing 'Bingham School,' * * * and certainly there could be no confusion between a Bingham School at Asheville and a school, even of the identically same name, at Mebane, N. C."

In *Weinstock, Luben & Co. v. Marks* (1895) 109 Cal. 529, it was said: "Although there can be no property right in a trade-name which is not the subject of a trade-mark, yet it is a fraud on a person who has established a trade and carried it on under a given name, that some other person should assume the same name, or the same name with a slight alteration, in such a way as to induce persons to deal with him in the belief that they are dealing with the one who has given a reputation to the name, and an injunction will issue to prevent such fraudulent infringement of the trade-name."

³ *Roy Watch Case Co. v. Camm-Roy Watch Case Co.* (1899) 28 Misc. Rep. (N. Y.) 45. In this case, a corporation had for four-

§ 161. Individual names.

The simplest form of a trade-name is the name of an individual used as the designation of a business. It is not necessary that a person's trade-name and his name of birth or baptism should be the same.⁴ A person may assume, for the purpose of trade, any name not prohibited by statute, and he will be protected in the use thereof to the same extent that he would be in the use of his own name; and where the name which he assumes or adopts as a trade-name is arbitrary or fanciful, he may acquire the exclusive right thereto against all other persons, while, if he uses his own name, he may not be able to prevent the similar use by another person bearing the same name.⁵ Whether a person uses his own name or a selected name, it must appear in both instances that he is using the name in good faith, and he cannot exclude another person, having the same name, from using it honestly and in good faith as a trade-name, even though some confusion thereby arises, as every person has the right to use his own name in the prosecution of his business, and this right can be limited or controlled only when such name has become the trade-name or business sign of another, and the later user is using it in a manner to deceive the public, or defraud the person who made it valuable, or, in other words, is using it in unfair competition.⁶ This rule is stated by a

teen years used in its trade the corporate title "Roy Watch Case Co." It was held entitled to enjoin, by action, a rival and lately constituted corporation from employing the name "Camm-Roy Watch Case Co."

⁴ Church v. Kresner (1898) 26 App. Div. (N. Y.) 349.

⁵ Higgins v. Higgins Soap Co. (1895) 144 N. Y. 462; Croft v. Day (1885) 7 Beav. 84; Holloway v. Holloway (1850) 13 Beav. 209; Russia Cement Co. v. Le Page (1888) 147 Mass. 206.

⁶ Devlin v. Devlin (1877) 69 N. Y. 212; Meneely v. Meneely (1875) 62 N. Y. 427; Caswell v. Hazard (1890) 121 N. Y. 493; Frazer v. (276)

writer on the law of trade-marks as follows: "The impossibility of a single manufacturer being allowed to arrogate to himself the exclusive use of a name which he shares in common with many other persons is apparent, and from this circumstance the rule was deduced that while, as against persons bearing a different name, a manufacturer's right in his name trade-mark is absolute and exclusive as against persons bearing the same name, no such exclusive right can be set up."⁷

In *Burgess v. Burgess*⁸ it was said: "Where a person is selling goods under a particular name, and another person, not having that name, is using it, it may be presumed that he so uses it to represent the goods sold by himself as the goods of the person whose name he uses; but where the defendant sells goods under his own name, and it happens that the plaintiff has the same name, it does not follow that the defendant is selling his goods as the goods of the plaintiff."

In *Meneely v. Meneely*⁹ the court says: "If the defend-

Frazer Lubricator Co. (1887) 121 Ill. 147; *Rogers v. Rogers* (1885) 53 Conn. 121; *Bingham School v. Gray* (1898) 122 N. C. 699; *Turton v. Turton* (1889) 42 Ch. Div. 128.

⁷ Sebastian, *Trade-Marks*, p. 25.

⁸ (1853) 3 De Gex, M. & G. 896.

⁹ (1875) 62 N. Y. 27.

In *Massam v. Thorley's Cattle Food Co.* (1878) 14 Ch. Div. 748, Bramwell, L. J., makes the following statement in reference to the use of individual names: "I wish to make one observation about the use of the name 'Thorley's Food for Cattle.' It has been said that the defendants have a right to say they make Thorley's Food for Cattle if they do not deceive. I agree that, if they could use that expression without the risk of deceiving, they ought to have a right to do so, but it seems to me almost impossible that they can. It is urged that it is hard upon them to forbid their using it, for that every Thorley has a right to make food, and therefore to sell it in his own name, and consequently, I suppose, to call it 'Thorley's Food.' But not only has every Thorley a right to do

ants were using the name of 'Meneely' with the intention of holding themselves out as the successors of Andrew Meneely, and as the proprietors and managers of the old established foundry which was being conducted by the plaintiffs, and thus enticing away the plaintiff's customers, and if, with that intention, they used the name in such a way as to make it appear to be that of the plaintiffs' firm, or resorted to any artifice to induce the belief that the establishment of the defendants was the same as that of the plaintiffs, and perhaps if, without any fraudulent intent, they had done acts calculated to mislead the public as to the identity of the establishments, and produce injury to the plaintiffs beyond that which resulted from the similarity of name * * * [then the

that, but every John Doe has a right to do that because he may give himself the name of 'Thorley,' and carry on business under the name if he thinks fit. A surname is not a man's legal property, or conferred upon him by law in any particular way. It is gained by reputation, and, if he choose to adopt the name 'Thorley,' and other people call him by that name, he is 'Thorley' to all intents and purposes, although his name was originally 'John Doe.' Then it is said that it is hard, if a man has the name of 'Thorley,' that he cannot make food and sell it as 'Thorley's Food.' So he may; but if, unfortunately for him, some preceding Thorley has carried on the business of making cattle food in such a way that by the name 'Thorley's Cattle Food' is understood the manufacture of that man, then the second Thorley, or the man who assumes his name, must take care so to conduct his business as not to be mistaken for the original Thorley, and, if he carries on his business so as to be mistaken, he must be restrained from doing it. It is not a hardship upon him that he should be obliged to state in his advertisements that the article produced by him is the same as Joseph Thorley produced, and is the article which is called 'Thorley's Food for Cattle,' and that the public may buy it of him as well as of the representatives of the original Thorley. The defendants, in that sense, might use the words 'Thorley's Food for Cattle,' but, if they cannot use that expression without misleading people, they must not use it, because it tends to the detriment of the plaintiffs."

court would enjoin them, not from the use of the name, but from using it in such a way as would deceive the public].

* * * Every man has the absolute right to use his own name in his own business, even though he may thereby interfere with or injure the business of another person bearing the same name, provided he does not resort to any artifice or contrivance for the purpose of producing the impression that the establishments are identical, or do anything calculated to mislead.”

§ 162. Impersonal name used by individual.

As an individual is not required to use his own name in the business which he carries on, he may adopt and use a fictitious, fanciful, or arbitrarily selected name. Such name may be a valid trade-name, and may pass to the purchaser of or successor to the business carried on under such name. Thus, where a banking business had been conducted for many years under the name and style of “Bank of Tomah,” and, upon the insolvency of the proprietor, an assignment for the benefit of the creditors was made, it was held that the goodwill and business name passed to the assignee, and might be transferred by the assignee to third persons in connection with the real estate and other property formerly used by the assignor in carrying on such business.¹⁰

§ 163. Firm names.

The same rules apply to the names of firms as trade names as are applied to the names of individuals. Where a name has been adopted in good faith, the users thereof are entitled to the exclusive right thereto, unless the name is one incapable of exclusive appropriation, and is also one that others can use with equal truth. As a firm adopts its own

¹⁰ Bank of Tomah v. Warren (1896) 94 Wis. 151.

name, its act in selecting a name similar to that of a firm already in existence will be very closely scrutinized. If the two names are likely to lead to confusion, that which is last adopted will usually be enjoined. This, however, is not always the case. An illustration of this fact is found in the case of *Turton v. Turton*,^{10a} in which it appeared that a firm had for many years carried on the business of steel manufacturers under the name of "Thomas Turton & Sons," and another manufacturer, John Turton, had for many years carried on a similar business in the same town, at first as "John Turton," then as "John Turton & Co.," and later, upon taking his two sons into partnership, as "John Turton & Sons," and there was no evidence of imitation of trade marks or labels, or other attempt to deceive the public, and it was held, although there was a probability that the public would be occasionally misled by the similarity of the names, the plaintiffs were not entitled to an injunction restraining the defendants from the use of the name "John Turton & Sons." It will be apparent that John Turton had a perfect right to do business under his own name, and, having taken his sons into partnership with him, it was proper to announce that fact, and make it known to the public by making the name of the firm "John Turton & Sons." In the absence of any evidence of an attempt at unfair competition, it was properly held that the firm of John Turton & Sons had a right to continue to use that name. Where a number of persons had carried on business as a partnership under the name of the Kalamazoo Wagon Co., and where two of the partners sold their interest in the property, assets, money, goodwill, and all other property of every name and nature in and to the firm, to the others, and these two, with others, afterwards organized a corporation under the name of the Kalamazoo

^{10a} (1889) 42 Ch. Div. 128.

Buggy Co., it was held that they should be restrained from using that name.¹¹

¹¹ *Myers v. Kalamazoo Buggy Co.* (1884) 54 Mich. 215. See, also, *Churton v. Douglas* (1859) John's Eng. Ch. 174; *Fullwood v. Fullwood* (1876) 9 Ch. Div. 176.

In *Bowman v. Floyd* (1867) 3 Allen (Mass.) 76, it was held that a receipt given by executors for money due and paid to the estate of a deceased person from former partners, in which the latter are mentioned by the name of the former partnership, under which they continued to carry on the business, will not be construed as a written consent to the continued use of the former partner's name in the new business and firm, if it was executed and delivered merely for the purpose of exhibiting the settlement of the claim.

In *Rogers v. Taintor* (1867) 97 Mass. 291, where it appeared that F., J., R., and T., copartners, began the business of manufacturing machinery at Worcester, Mass., in 1852, under the name of F. & Co.; and F., J., R., and C., copartners, began a like business at Cincinnati, Ohio, in 1853, under the same name, using it as a style of the firm and as a trade-mark, and F. died in 1854, and, ever since his death, J., R., and C., copartners, continued the business at Cincinnati with all the rights as to the use of the name of F. & Co. which the Cincinnati firm had originally, and J., R., and T., copartners, continued the business at Worcester under the name of F. & Co., with the assent of F.'s representatives, until 1861, when their firm was dissolved, and its orders, correspondence, and goodwill were sold to T., a member of the dissolved firm, who thereafter pursued the business of buying and selling, and not of manufacturing, machinery, it was held that J., R. & Co. could not maintain a bill of equity to enjoin T. in his business, and attaching it to machinery sold by him, but made by others than J., R. & Co.

In *McGowan Bros. Pump & Machine Co. v. McGowan* (1872) 2 Cin. R. (Ohio) 313, the facts were as follows: Theodore and John McGowan were manufacturers of pumps, under the name of "McGowan Brothers." John sold out all his interest in the business and assets of the firm to Theodore, including the old patterns, with the name "McGowan Brothers" on them, and Theodore was to assume the liabilities and succeed to the business of the firm, and associate with himself others if he chose. After the contract of sale was executed there was inserted in the notice of dissolution a privilege

§ 164. License to use individual name.

Where a person permits a firm to use his name as a part of the firm style and title, the partnership may acquire by such license an exclusive right to the use of the name, as long as the firm continues intact, but it cannot, upon its dissolution, confer the same privilege on its successor. When a re-

to Theodore of using the old firm name, as to which there had been no previous negotiation. Theodore, with others, procured a certificate of incorporation under the name "McGowan Brothers Pump & Machine Company," and transferred to the said corporation all his rights and interest as purchased from John. It was held that John, who set up a similar business by himself, was entitled to an injunction to restrain the corporation from the use of "McGowan Brothers" in its name, the use of the old firm name granted to Theodore being in the nature of a revocable license; that the old name was not a trade-mark, to be used by the corporation, and, while it had the right to use the patterns and sell the castings with the name "McGowan Brothers" on them, it could not hold out, by the corporate name, that all the articles made by it were in part the product of the skill and labor of John, or that the corporation was in fact the old firm.

In *Schmid v. De Grauw* (1899) 27 Misc. Rep. (N. Y.) 693, where it had been duly adjudicated in a former action between the present plaintiff, purchaser of the entire stock in trade of the business of an old firm, and one of the present defendants, who participated in such sale, that the plaintiff was alone entitled to use the firm name, the participating defendant, and persons whom he had associated with himself because of the identity of their names to those of the partners of the old firm, were restrained from using the name of the old firm.

In *Williams v. Farrand* (1891) 88 Mich. 473, where, upon the dissolution of a firm called Farrand, Williams & Co., which was composed of one partner named Farrand and another named Sheley, Farrand sold to Sheley his interest in the concern, and Sheley's firm adopted the name of Williams, Sheley & Banks, successors to Farrand, Williams & Co., and where Farrand afterwards founded the firm of Farrand, Williams & Clark, these being the names of the partners therein, it was held that the latter firm was authorized to conduct the business in that name. In this case the court stated that the following propositions must be regarded as established by

tiring partner. whose name is part of the firm name, makes a contract giving to the other partner the right to continue the use of the same firm name as long as the other partner carries on the business, such right to use the retiring partner's name cannot be assigned to a corporation formed to take over the business. While a person might be willing to forego the use of his own name in favor of an ordinary partnership, which, whether limited or not to a definite term

the clear weight of authority: "(1) Though a retiring partner may have assigned his interest in the partnership business, including the goodwill thereof, to his copartner, he may, in the absence of an express agreement to the contrary, engage in the same line of business in the same locality and in his own name. (2) He may, by newspaper advertisements, cards, and general circulars, invite the general public to trade with him, and, through the same mediums, advertise his long connection with the old business, and his retirement therefrom. (3) He will not be allowed, however, to use his own name, or to advertise his business, in such a way as to lead the public to suppose that he is continuing the old business; hence will not be allowed to advertise himself as his successor. (4) The purchaser will not, in the absence of an express agreement, be allowed to continue the business in the name of the old firm. (5) That no man has a right to sell or advertise his own business or goods as those of another, and so mislead the public, and injure such other person. * * * (6) That, when an express contract has been made to remain out of business, or for the use by a purchaser of a fictitious name, or a trade-name, or a trade-mark, the courts will enjoin the continued violation of such agreement. * * * (7) That an assignment of all the stock, property, and effects of a business, or the exclusive right to manufacture a given article, carries with it the exclusive right to use a fictitious name in which such business has been carried on, and such trade-marks and trade-names as have been in use in such business. * * * (8) A corporate name is regarded in the nature of a trade-mark, even though composed of individual names, and its simulation may be restrained. After adoption, it follows the corporation." In the report of this case the following propositions are stated to be summarized from the opinion of Mr. Justice McGrath: "(a) Goodwill may be said to be those intangible advantages or incidents which are impersonal, so far as the grantor is concerned, and attached to

of existence, is liable upon many contingencies to come to an end, there could not reasonably be inferred from such a grant an intention to authorize a transfer or assignment of the name to other companies or corporations, whereby the owner might be perpetually deprived of his own name. Acquiescence by any person in the wrongful use of his name will not estop him from asserting his rights in equity unless he has notice, during such acquiescence, of the facts rendering the use of his name wrongful.¹²

the thing conveyed. (b) Where it consists of the advantages of location, it follows an assignment of the lease of that location. Again, it may not depend at all upon location, as in the case of a newspaper, and it would follow an assignment of all interest in the plant, property, effects, and business. (c) A partnership name may become impersonal after the death of the partners, and it is then treated like a fictitious or corporate name. (d) A surname may become impersonal when it is attached to an article of manufacture, and becomes the name by which such article is known on the market, and the right to use the name may, in consequence, follow a grant of the right to manufacture that article, or a sale of the business of its manufacture, and, when the right to manufacture is exclusive, the right to the use of the name as applied to the article becomes likewise exclusive."

¹² Bagby & Rivers Co. v. Rivers (1898) 87 Md. 400; Horton Mfg. Co. v. Horton Mfg. Co. (1883) 18 Fed. 816. See, also, Lodge v. Weld (1885) 139 Mass. 499; Lawrence v. Hull (1897) 169 Mass. 250; Iowa Seed Co. v. Dorr (1886) 70 Iowa, 481. In Reeves v. Denicke (1871) 12 Abb. Pr. (N. S.; N. Y.) 92, the court says: "In this case, the firm name * * * was not sold or transferred to the defendants as constituting a part of the partnership property and effects. Nor did the sale, in terms or by necessary implication, include the goodwill of the business of the previous firm, and it is therefore unnecessary to determine whether the partnership name was a part of such goodwill. There was no restraint upon the retiring partner holding him from engaging in a similar business, and he violated no obligation to the defendants by forming a new firm under his own name, and transacting a business in all respects like that which he had released to them. It is quite clear, I think, that the defendants acquired no right to continue the use of the partnership

§ 165. **Presumption as to individual name appearing in firm name.**

A person whose name appears in the name of a firm or partnership, in the absence of anything raising a contrary presumption, will be presumed to have agreed that it should so continue during the existence of the partnership. If, before the partnership expires, he merely sells his interest in the concern to a stranger, he conveys to the purchaser a right to the use of his name during the remainder of the term. If, at the expiration of the term, he sells his interest with an agreement, express or implied, that the business shall thereafter be continued under the same name, the same rule applies. At the dissolution of the partnership, the partners revert back to their individual rights and responsibilities, and each partner, in the absence of any agreement to the contrary, has an absolute right to control the use of his own name.¹³

§ 166. **Rule where firm name is impersonal.**

Where, however, the name adopted and used by a firm is impersonal, it becomes a part of the assets of the firm, and may be sold with the business, either by the partners directly, or through a receiver, under an order made by a court, in a case to which they are parties, and such name may be transferred by the purchaser to a corporation organized to succeed to the business. This was held by the supreme court of Ohio in a case in which it used the following language: "We are not reluctant, therefore, in holding that, upon the dissolution name of the old firm. If the good reputation of that firm was intended to pass into and become a part of the defendants' new firm, it should have been provided for in the conveyance. That it was not intended it should pass is evident from the omission to include it."

¹³ *Holmes v. Holmes, Booth & Atwood Mfg. Co.* (1870) 37 Conn. 295.

of a trading copartnership, its assets, including the goodwill of the business, may be sold as a whole, either by the partners directly, or through a receiver, under an order made by a court in a case to which they are parties, and that a purchaser thereof under either method of sale is entitled to continue the business as the successor of the firm, and make use of the firm name for that purpose. And, further, that where the purchaser transfers the property so acquired by him to a corporation of which he is a member, organized to succeed to the business, it may carry on the business in the same manner under a corporate name including the name which had been used by the firm."¹⁴

§ 167. Corporate names.

In respect to corporate names, the same rules apply as to the names of firms or individuals; and an injunction lies to restrain the simulation and use by one corporation of the name of a prior corporation, which tends to create confusion, and to enable the later corporation to obtain, by reason of the similarity of names, the business of the prior one. The courts interfere in these cases, not on the ground that the state may not affix such corporate names as it may elect to the entities it creates, but to prevent fraud, actual or constructive. The names of corporations organized under general laws, and in most other cases, are chosen by the promoters, and it would be an easy way to escape from the obligations which are enforced as between individuals, if a corporation were granted immunity by reason of its corporate character." The principle upon which courts usually proceed in restraining the simulation of a name that has come to designate the business of a particular person or company was stated in the *Guinea Coal Company Case* by Giffard, L. J., as follows: "I quite

¹⁴ *Snyder Mfg. Co. v. Snyder* (1896) 54 Ohio St. 86.

agree that they [plaintiffs] have no property in the name [Guinea Coal Company], but the principle upon which the cases on this subject proceed is, not that there is property in the word, but that it is a fraud on the person who has established a trade, and carries it on under a given name, that some other person should assume the same name, or the same name with a slight alteration, in such a way as to induce persons to deal with him in the belief that they are dealing with the person who has given a reputation to the name."¹⁵ Whether the court will interfere in a particular case must depend upon circumstances,—the identity or similarity of the names; the identity of the business of the respective corporations; how far the name is a true description of the kind and quality of the article manufactured, or the business carried on; the extent of the confusion which may be created or apprehended; and other circumstances which might justly influence the judgment of the judge in granting or withholding the remedy. Where it appeared that the plaintiff's corporate name was lawfully given to it by legislative action more than forty years before suit was brought, the court held that there would seem to be no good reason why it should not receive as much protection against the unauthorized use of its name as a natural person. It has also been said that a corporate name is entitled to protection to the same extent as a trade-mark.¹⁶

¹⁵ *Lee v. Haley* (1869) 5 Ch. App. 155; *Chas. S. Higgins Co. v. Higgins Soap Co.* (1895) 144 N. Y. 463; *Amoskeag Mfg. Co. v. Garner* (1876) 54 How. Pr. (N. Y.) 300; *Holmes v. Holmes, Booth & Atwood Mfg. Co.* (1870) 37 Conn. 278; *Newby v. Oregon Cent. Ry. Co.* (1869) Deady, 609, Fed. Cas. No. 10,144.

¹⁶ In *William Rogers Mfg. Co. v. Simpson* (1887) 54 Conn. 568, the following is quoted from Sebastian on Trade-Marks (page 226 et seq.): "It was formerly sometimes supposed, and was held by the late master of the rolls and the court of appeal in *Singer Mfg. Co. v. Wilson*, 2 Ch. Div. 434, that, for an action to restrain the use

§ 168. Conflicting corporate names.

Where a controversy is between two corporations, there are certain things to be observed: Each party owes its existence to the law. The law authorizes, sanctions, and protects every act done, and every step taken, in pursuance of law, whether in the process of organization or in the course of its

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 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 Machine Manufacturers v. Wilson*, 3 App. Cas. 376, was remitted by the house of lords to the court of first instance, 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, Chancellor, 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 Mfg. Co. v. Loog*, 8 App. Cas. 15, 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, 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 has acquired the reputation it possesses. The

business. It is true all the details are not prescribed in advance. Certain general powers are conferred, which are applicable alike to all corporations, such as the power to hold property, to sue and be sued, and the like. So, also, of certain requisites and forms, such as the par value of each share of stock, the publication notice, and recording the articles of association, etc. Other powers and privileges are left in

question is not whether the defendant's business is represented as being similar to the plaintiff's, but whether it is represented as being that very identical business. 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.' ”

In *Newby v. Oregon Cent. Ry. Co.* (1869) Deady, 616, Fed. Cas. No. 10,144, in the United States court for the district of Oregon, Judge Deady, in considering the name of a corporation, said: “By the execution and filing of these articles, the corporate name assumed thereby and specified therein becomes exclusively appropriated. If afterwards any person attempt to incorporate for any purpose by the same name, this would be an encroachment upon the rights of the first corporation, and therefore illegal. To prevent the continuance of such a wrong upon the rights of another, equity will interfere, at the suit of the injured party, by injunction. The case is analogous to, if not stronger than, that of a piracy upon an established trade-mark. *Bell v. Locke*, 8 Paige (N. Y.) 75; *Taylor v. Carpenter*, 11 Paige (N. Y.) 292; *Partridge v. Menck*, 2 Barb. Ch. (N. Y.) 102; *Willard*, Eq. 402, 403. The corporate name of a corporation is a trade-mark from the necessity of the thing, and, upon every consideration of private justice and public policy, deserves the same consideration and protection from a court of equity. Under the law, the corporate name is a necessary element of the corporation's existence. Without it, a corporation cannot exist. Any act which produces confusion or uncertainty concerning this name is well calculated to injuriously affect the identity

a measure to the discretion of the parties interested. Among these are the amount of capital stock, the location, the business to be transacted, and the name. When the corporators have once exercised their power in respect to these matters, the law declares the capital stock, the location, the business,

and business of a corporation; and, as a matter of fact, in some degree at least, the natural and necessary consequence of the wrongful appropriation of a corporate name is to injure the business and rights of the corporation by destroying or confusing its identity. The motives of the persons attempting the wrongful appropriation are not material. They neither aggravate nor extenuate the injury caused by such appropriation. The act is an illegal one, and must, if necessary, be presumed to have been done with an intent to cause the results which naturally flow from it. Nor will a court of equity refuse to enjoin the wrongful appropriation of a corporate name until the right of the first corporation to the name has been established by the verdict of a jury in an action at law. Such right does not rest in parol, but is shown by the record, if at all, and is determined by the court in any form of proceeding. Neither, in such case, has the party injured an adequate and complete remedy at law. As in the case of patents for inventions and copyrights, the remedy at law can only give redress for the past injury, and that often inadequately; but to protect the injured corporation from the mischief arising from continued violation of its rights and perpetual litigation concerning them, resort must be had to the equitable remedy by injunction. Story, Eq. § 930. Nor do I deem it material in this case to the jurisdiction in equity that the defendant should be insolvent,—unable to respond to the complainant in damages. The jurisdiction in this class of cases—trade-marks, patents, and copyrights—depends upon the fact that the matter is intrinsically of equitable cognizance; that the legal rights of the party can only be protected in equity, and not upon the uncertain and irrelevant test of the insolvency of the defendant." With the exception that the court designated the corporate name of a corporation as a *trade-mark*, this is an accurate statement of the law. The court should have said: "The corporate name of a corporation is a *trade-name*, from the necessity of the thing, and, upon every consideration of private justice and public policy, deserves the same consideration and protection from a court of equity as a *trade-mark*."

and the name to be as thus determined, until changed in pursuance of law. In respect to these matters the corporation is as much the creature of, and subject to, and protected by, the law as in the former. The law having authorized the selection of a name, and having declared the name so selected to be the name of the corporation, there is no reason why the law should not protect the corporation in the use of that name, upon the same principle, and to the same extent, that individuals are protected in the use of trade-marks. Hence it necessarily follows that corporations, in the exercise of discretionary powers conferred by the statute, must so exercise them as not to infringe upon the established legal rights of others.¹⁷ In a leading case in the United States circuit court, Mr. Justice Bradley said: "The fact that both are corporate names is of no consequence in this connection. They are the business names by which the parties are known, and are to be dealt with precisely as if they were the names of private firms or partnerships. The defendant's name was of its own choosing, and, if an unlawful imitation of the complainant's, is subject to the same rules of law as if it were the name of an unincorporated firm or company."¹⁸ And where complainants adopted as their trade-name the designation "Taper-Sleeve Pulley Works," and on that name built up a large general trade in taper-sleeve pulleys and other articles throughout the United States, it was held that complainants were entitled to the exclusive use of said trade-name, even as against a later corporation organized in another state under the same name, and having the right to make and sell the device of the taper-sleeve pulley, and hav-

¹⁷ *Holmes v. Holmes, Booth & Atwood Mfg. Co.* (1870) 37 Conn. 293.

¹⁸ *Celluloid Mfg. Co. v. Cellonite Mfg. Co.* (1887) 32 Fed. 97.

ing also the right to so designate the article, and to advertise itself as a manufacturer and vendor thereof.¹⁹

In the English case of *National Folding Box & Paper Co. v. National Folding Box Co.*²⁰ it appeared that the plaintiffs were an American company which manufactured folding boxes and other goods of the same kind in America, and that there was a considerable market for their goods on the Continent and in England, where an English company were their sole agents. The defendants had been doing business for some years as *Parmenter & Co.*, and in June, 1894, they passed and registered a special resolution to change their name to the "National Folding Box Co., Limited." The plaintiffs moved for an injunction to restrain the defendants from using plaintiffs' name, or any colorable imitation thereof. The injunction was granted, the court using the following language: "It was said that the plaintiffs are an American company, and carry on business in America, and that there is, therefore, no question of the defendants interfering with them. But, as a matter of fact, the plaintiffs do carry on, through their agents, a large business in England, and are, accordingly, entitled to the benefit of such protection as the law of England gives to persons carrying on a legitimate business in this country. The defendants have interfered with this business; they have adopted a name which, in all reasonable probability, will lead to their goods being passed off as goods manufactured by the plaintiffs. They have no right to do this. I think the names so similar that the result which the plaintiffs fear was the probable result to be expected. How did the defendants come to adopt their name? They adopted it last June after carrying on business for seven years under a totally different name. I do not be-

¹⁹ *Gray v. Taper-Sleeve Pulley Works* (1883) 16 Fed. 436.

²⁰ (1894) 13 Reports, 60.

lieve that the explanation of the reasons for the change of name were correct, and I have come to the conclusion that the defendants adopted the name on account of its resemblance to the plaintiffs' name, knowing that the plaintiffs had a large business in England."

§ 169. Corporation may acquire trade-name different from corporate name.

A corporation may acquire a right to the exclusive use of another name than its corporate name as a trade-name, but not as a corporate name. Hence, where a corporation, with a corporate name similar to a trade-name used by an older corporation, continued for ten years to exercise its franchise in a different line of the same business without mutual embarrassment, except that letters and packages intended for the latter sometimes miscarried, without, however, causing serious inconvenience, and the younger corporation then prepared to enter the same line of business, and to use its corporate name in competition with the older corporation, it was held that a petition for leave to file an information in the nature of a *quo warranto*, and to restrain the younger corporation from thus using its corporate name, must be dismissed. This decision, however, was based on the ground that the proceeding sought to restrain the younger corporation from exercising its franchise, and, if it had a right to use its corporate name at all, the petition must be denied, and that it could not be restrained in a proceeding of this character from using its name in one line of business, and not in another. The remedy of the older corporation in this instance should have been by an action to restrain the younger corporation from using its name in the particular line of business in which the older corporation was engaged, on the ground that such use of the name would tend to create con-

fusion, and to cause the younger corporation to be mistaken for the older.²¹

§ 170. Corporation may not be entitled to use abbreviated name.

A corporation may in some instances be entitled to use its entire corporate name, where it would not be entitled to use an abbreviation of such name, if such abbreviated name was so close a resemblance to the name of another corporation, or to the abbreviation used for the name of another corporation, as to cause confusion. Thus, where the Sun Life Assurance Company of Canada, which was duly incorporated in Canada, and had there carried on business for some years under that name, opened an office in the city of London, and where the Sun Life Assurance Company, which was established in 1810 in England, with its head office in the City of London, commenced proceedings against the Canadian company, and moved for an injunction to restrain the defendant company from carrying on in the United Kingdom the business of a life assurance company under the name of the "Sun Life Assurance Company of Canada," it was held that, inasmuch as the mere user by the defendant company of its full name involved no misstatement of fact, and was not a fraudulent user, the defendant company was entitled to use in the United Kingdom its full corporate name, but that this right did not extend to the use of the name of "The Sun" or "The Sun Life" without the addition of the words "of Canada."²²

§ 171. Estoppel arising from assent to adoption of corporate name.

Where a corporation assumed the name of the "Lamb

²¹ *Boston Rubber Shoe Co. v. Boston Rubber Co.* (1889) 149 Mass. 436.

²² *Saunders v. Sun Life Assur. Co. of Canada* (1893) 8 Reports, 125.

Knit-Goods Co.," with the knowledge and consent of one of the defendants, who, acting as agent, transferred to the corporation the property, business, and goodwill of a prior company, known as the "Lamb Knitting Company," and where it appeared that complainant had no exclusive right to the use of the terms "Lamb Knit," "Lamb Goods," "Lamb Machine Goods," or "Lamb Knit Goods," it was held that complainant was entitled to an injunction restraining the defendant from continuing the use of its corporate name "Lamb Glove & Mitten Company," or any name in which the name "Lamb" appears in connection with other words indicating a business similar to that of complainant, it being shown that considerable confusion had arisen, and that dealers had been misled, and that, by the transfer to the complainant of the goodwill of the Lamb Knitting Company, it was the intention of the defendant Lamb to grant the right to use his name in connection with the complainant's business, and that in fact he assisted in organizing the corporation, and became a stockholder in it, and he was therefore estopped from asserting that the company did not take its name rightfully.²³ In *Clark Thread Co. v. Armitage*, where it appeared that the defendant was originally incorporated as the William Clark Thread Company, and that plaintiff, the Clark Thread Company, objected to this name, and, at the suggestion of its managing director and treasurer, defendant's name was changed to the William Clark Company, it was held that plaintiff was estopped from afterwards objecting to the use by defendant of the amended name.²⁴

§ 172. Individual name used as principal part of corporate name.

The fact that one of the incorporators and stockholders of

²³ *Lamb Knit-Goods Co. v. Lamb Glove & Mitten Co.* (1899) 120 Mich. 159, 44 L. R. A. 841.

²⁴ (1895) 67 Fed. 896, (1896) 21 C. C. A. 178, 74 Fed. 936.

a corporation bears an individual name that becomes the principal part of the name of the corporation gives the corporation no immunity from the consequences which ordinarily flow from an attempt to deceive the public by the fraudulent use of another's name, since the promoters of the corporation could have given to it any other name that they liked, provided the designation was honestly made, and without injury to others.²⁵ Where the circumstances surrounding the creation of a corporation and the naming of it were such as to show that the selection of the name was not an honest one, but a part of the original scheme of the promoter to make such use of his own name as would enable him to profit by the name which the plaintiffs had given to their articles on the market, and which they had made valuable by much labor and a liberal expenditure of money, it was held that the corporation would not be permitted to make use of a name acquired in such a manner and for such a purpose.²⁶

§ 173. Descriptive names cannot be exclusively appropriated.

Names which are merely descriptive of well-known classes of goods, or of well-known methods of transacting business, cannot be exclusively appropriated as trade-names. In the case of *Goodyear's India Rubber Glove Mfg. Co. v. Goodyear Rubber Co.*, the supreme court of the United States said: "But the name of 'Goodyear Rubber Co.' is not one capable of exclusive appropriation. 'Goodyear Rubber' are terms

²⁵ *De Long v. De Long Hook & Eye Co.* (1895) 89 Hun (N. Y.) 399; *De Long v. De Long Hook & Eye Co.* (1894) 10 Misc. Rep. (N. Y.) 577. See, also, *De Long v. De Long Hook & Eye Co.* (1896) 7 App. Div. (N. Y.) 33.

²⁶ *S. Howes Co. v. Howes Grain Cleaner Co.* (1897) 46 N. Y. Supp. 165, (1897) 19 App. Div. (N. Y.) 625; permanent injunction granted (1898) 24 Misc. Rep. (N. Y.) 83.

descriptive of well-known classes of goods produced by the process known as 'Goodyear's Invention.' Names which are thus descriptive of a class of goods cannot be exclusively appropriated by any one. The addition of the word 'Company' only indicates that parties have formed an association or partnership to deal in such goods, either to produce or to sell them. Thus, parties united to produce or sell wine, or to raise cotton or grain, might style themselves 'Wine Company,' 'Cotton Company,' or 'Grain Company,' but by such description they would in no respect impair the equal right of others engaged in similar business to use similar designations, for the obvious reason that all persons have the right to deal in such articles, and to publish the fact to the world. Names of such articles cannot be adopted as trade-marks, and be thereby appropriated to the exclusive right of any one; nor will the incorporation of a company in the name of an article of commerce, without other specification, create any exclusive right to the use of the name."²⁷

In *Bolander v. Peterson*²⁸ it was held that the words "Svenska Snusmagasinet," which means "The Swedish Snuff Store or Magazine," cannot be exclusively claimed as a trade-name by one engaged in the business which they describe. The court said: "The words 'Swedish Snuff Store' are descriptive of the business there carried on, and may mean that it is conducted by Swedes, or that Swedish snuffs are there sold, or that Swedes are expected to patronize the same, and nothing more. * * * A trade-mark must be such as will clearly identify^{*} the article to which it is affixed as that of the person adopting it, and distinguish it from that of all others. * * * A generic name, or one merely descriptive of the article made or sold, or its qualities,

²⁷ (1888) 128 U. S. 598.

²⁸ (1891) 136 Ill. 215.

ingredients, or characteristics, and which may be employed truthfully by other makers or dealers, is not entitled to protection as a trade-mark.”

In *Employers' Liability Assur. Corp. v. Employers' Liability Ins. Co.*,²⁹ the supreme court of New York adopted the same rule, and said: “We are of the opinion that the court below was correct in refusing a general injunction against the defendant in this action, prohibiting it from the use of the term ‘Employers' Liability,’ upon the ground that this term is a descriptive term used generally to designate a certain well-known branch of the insurance business. But it is claimed that, wholly irrespective of any question of exclusive property in the name, the plaintiff was entitled to protection against any such appropriation as would interfere with its business by inducing the public to suppose that a new company trading under the same was the original plaintiff corporation; that it was not necessary that fraud or evil practice should be shown; if the fact is made to appear that the use of a trade-mark or corporate name lawfully possessed and enjoyed by a trading company is so used by a competitor as to deceive or mislead dealers to the prejudice of the corporation lawfully using the name, equity will protect by injunction. And our attention is called to certain cases, among which are *McLean v. Fleming* [96 U. S. 245] and *Goodyear's India Rubber Glove Mfg. Co. v. Goodyear Rubber Co.* [128 U. S. 598]. But we think that an examination of those cases is fatal to this claim. The rule is there expressly recognized that exclusive right to use a term descriptive of a character of business cannot be acquired, and the evidence in this case shows that the term ‘Employers' Liability’ was in common use in respect to this class of insurance.”

²⁹ (1891) 61 Hun (N. Y.) 552.

In *Continental Ins. Co. v. Continental Fire Ass'n*³⁰ it was held by the circuit court for the northwestern district of Texas that the word "Continental" was a generic term, the right to use which could not be exclusively appropriated by any individual or corporation, and an injunction was denied, in the absence of proof of any fraudulent intent or conduct on the part of the defendant, or that the public had been deceived by the similarity of the names. This decision was affirmed by the United States circuit court of appeals for the fifth circuit.

It has also been held that the term "International Banking Company" is incapable of exclusive appropriation.³¹ But the long-continued exclusive use of a trade-name, although primarily intended to be descriptive of the quality of product, entitles the user to protection against its unnecessary adoption and use by another which is calculated to deceive purchasers, the use having been retained for that purpose. And where the simulation of a complainant's trade-name by another is manifestly liable to deceive, it is not necessary for complainant to show that purchasers have actually been deceived, to entitle him to relief.³² This right to relief, however, rests on the doctrine of preventing unfair competition, rather than on any exclusive right in the user to a trade-name of this character.³³

³⁰ (1899) 96 Fed. 846, (1900) 101 Fed. 255.

³¹ *Koehler v. Sanders* (1890) 122 N. Y. 65.

³² *Fuller v. Huff* (1900) 104 Fed. 141, reversing (1899) 99 Fed. 439.

"A name, although generic and geographical, is within the rule of protection in law if it does not indicate that the business carried on is to be patronized by the people of any particular locality, or that any specific product is therein to be sold, or any particular language is there to be spoken." *Whitfield v. Loveless* (1893) 64 Official Gaz. 442.

³³ See chapter 10.

§ 174. Injunctions refused.

Where a corporation chartered in Michigan was doing business in Chicago, and another company was incorporated in Illinois under the same name, and filed a bill to restrain the use of this name by the former corporation, alleging that the Michigan corporation no longer existed, it was held that this was not a sufficient ground therefor, as the defendants might nevertheless do a partnership business under any name not interfering with any earlier party's use thereof.³⁴ The use of any particular name by a corporation will not be enjoined unless it is made to appear from the evidence and by all the circumstances that the proposed use of the name will likely result in injury to the complainant corporation.³⁵ Where two corporations are incorporated with similar names under the laws of different states, but there is no such similarity between the goods manufactured by them, or between their circulars or advertisements, as to be likely to deceive the ordinary mass of purchasers, an injunction will not be granted to restrict the use by one corporation of the name by which it is known, and under which it is incorporated.³⁶

³⁴ *Ottoman Cahvey Co. v. Dane* (1880) 95 Ill. 203.

³⁵ *Drummond Tobacco v. Randle* (1885) 114 Ill. 412.

³⁶ *Hazelton Boiler Co. v. Hazelton Tripod Boiler Co.* (1891) 40 Ill. App. 430, affirmed (1892) 142 Ill. 494.

In the case of *German Hanoverian & Oldenberg Coach Horse Ass'n v. Oldenberg Coach Horse Ass'n*, 46 Ill. App. 281, it was held by the Illinois first district appellate court that where two associations are incorporated under the laws of Illinois under similar names, the claim of the older corporation to the use of the name will be upheld, and nothing done by individuals, in the name assumed by the junior corporation, before it was incorporated, adds to the rights of the junior corporation, since the assumption and use of a corporate name, in the state of Illinois, at least, is in direct violation of law, and the courts of that state will refuse to enforce or give efficacy to rights claimed to have been acquired by means of such illegal acts.

Where a corporation was duly incorporated under the laws of the state of Nebraska, with its principal place of business in the city of Hastings, in said state, under the name of the "Nebraska Loan & Trust Company," and where this company had been in business for a number of years, loaning money, buying and selling real-estate mortgages, city, county, and other municipal evidences of debt, and had largely increased its capital and extended its sphere of operations until it transacted business in a number of counties in the state, and where the defendants were proposing to organize a loan and trust company in the city of Lincoln, in the same state, with the corporate name of the "Nebraska Loan & Trust Company," it was held, in an action in equity by the Hastings company to enjoin the members of the Lincoln company from taking the corporate name referred to, that the law governing trade-marks for manufactured goods did not apply, and plaintiff could take no property in the name of the state, to the exclusion of the defendants; that, the proof failing to show a conflict of interest, or that the business transacted by the defendants would materially interfere with the business of the plaintiff, the injunction would be refused.³⁷

The terms "Investor" and "Investor Publishing Company" were held capable of appropriation as trade-names, on a demurrer to bill of complaint, by the United States circuit court for the southern district of California,³⁸ although, on final hearing, the bill of complaint was dismissed by the same judge on the ground that the papers were published in widely separated states, and that the names were used with distinguishing characters, which rendered injury to complainant therefrom improbable, and absence of proof

³⁷ Nebraska Loan & Trust Co. v. Nine (1889) 27 Neb. 507.

³⁸ Investor Pub. Co. v. Dobinson (1896) 72 Fed. 603.

that injury to the complainant therefrom had actually resulted.³⁹

Where a son of Marcus Ward withdrew from the firm of Marcus Ward & Co., Limited, which was engaged in the manufacture of linen paper, and established the firm of William H. Ward & Co., engaged in the same business, an action was brought to enjoin the members of said firm from placing the name of "Marcus Ward's Son" on their goods, and the expression, "Late of the firm of Marcus Ward & Co.," on their letter heads. It was held, the fact being that the defendant was a son of Marcus Ward, and lately a member of the firm named, that plaintiff was not entitled to an injunction.⁴⁰

§ 175. Where corporation is not of commercial or trading character.

A right to injunctive relief against the improper use of a corporate name which interferes with the business of a corporation is not limited to cases where the business is of a commercial or trading character. Thus, a corporation organized in 1892, pursuant to chapter 267 of the Laws of 1875, state of New York, under the name of "The Society of the War of 1812," for the purpose of commemorating that war, and other kindred purposes, is entitled to an injunction restraining a corporation organized for similar purposes in 1896 under the name of "The Society of the War of 1812," in the state of New York, from using the words, "The Society of the War of 1812," as part of its corporate title, where it appears that the similarity of the names tends to produce confusion, and to affect injuriously the conduct

³⁹ Investor Pub. Co. v. Dobinson (1897) 82 Fed. 56.

⁴⁰ Marcus Ward & Co. v. Ward (1891) 61 Hun, 625, 15 N. Y. Supp. 913.

of the business of the older corporation.⁴¹ But it has also been held that the use of the title "Colonial Dames" will not be restricted to the corporation which first adopted it, where it appears that another corporation, and a nonincorporated society, which are also using it, are not conducting it for a pecuniary profit, and that all three societies are merely societies for patriotic and philanthropic ends.⁴²

§ 176. Organization of corporation with name conflicting with name of prior corporation.

While the statutes of most of the states prohibit the formation of a corporation with a name similar to that of a prior corporation in the same state, there is nothing to prevent the organization of a corporation in one state with the same name as that of a corporation foreign to that state, and courts will not interfere to prevent the organization, under the statutes of a state, of a corporation bearing the same name as a foreign corporation. This question came before Judge Gresham in the United States district court for the northern district of Illinois in a case in which the Lehigh Valley Coal Co., a corporation organized in 1875 under the laws of the state of Pennsylvania, sought to prevent the defendants from taking certain steps in the creation of a new corporation, with the same name, under the laws of the state of Illinois. In dissolving the temporary injunction previously granted, and dismissing the bill, Judge Gresham said: "The complainant is a foreign corporation, and it is only by comity that it is doing business in Illinois at all.

⁴¹ *Society of War of 1812 v. Society of War of 1812* (1900) 46 App. Div. (N. Y.) 568.

⁴² *Colonial Dames of America v. Colonial Dames of New York* (1899) 29 Misc. Rep. (N. Y.) 10.

The state can say to it any day, 'Go!' and it must go. That being so, I do not see that the complainant has a legal right to say a corporation shall not be created in Illinois bearing its (the complainant's) name. If the state of Illinois may create a corporation bearing the same name as the complainant,—and it certainly can,—this court has no right by injunction to prevent anything from being done under the state law which is necessary in the creation of such a corporation. The commissioners perform a function under the laws of the state in the formation of the corporation. If they are not officers of the state, they are instrumentalities employed by the state. If they can be enjoined from receiving stock subscriptions under the license issued to them by the secretary of state, I do not see why the latter might not be enjoined from issuing a license, or doing anything else under the state statute. The general law authorizing the secretary of state to issue a license to commissioners to receive stock subscriptions provides that no license shall be issued to two or more companies having the same name. Before bringing this suit, the complainant should have brought to the attention of the secretary of state the matters alleged in the bill. He might, on a proper application, have revoked the license to the defendants, unless they adopted another name for their company. I do not think this court can interfere by injunction, at the instance of a foreign corporation, and prevent any necessary step from being taken under the statute of this state in the creation of a corporation. I do not say what may be done if the defendants succeed in creating their corporation bearing the complainant's name, and a suit shall be brought by the complainant to prevent individuals claiming to be officers or managers of such corporation from interfering with the complainant's business,

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as already stated. The temporary injunction heretofore granted is dissolved, and the bill is dismissed."⁴³

So, also, where, under the statutes of the state of Michigan, it was provided that "corporations organized in this state shall not take any name in use by any other organization of this state, or so closely resembling such name as to mislead the public as to its identity," and the relator, the Home Life Insurance Company, a foreign corporation, filed a petition asking leave to file an information in the nature of a *quo warranto* against the respondent for violating this provision, it was held that the petition must be denied, the relator not coming within the term "corporation of this state," used in the statute.⁴⁴

§ 177. Names of places of business.

The name of a place where a business is carried on, such as an hotel or store, usually constitutes a valid trade-name. It is immaterial whether the name is original with the adopter and user, or has been previously used in other places sufficiently remote so that no conflict occurs. Thus, there may be a "Washington Hotel" in every city, and the name will constitute a valid trade-name for every one. In many of the decided cases, controversies have arisen in respect to the use of such names in the same locality. Thus, where a proprietor of an hotel opened it under the name of "Irving House," and it very soon became generally known as the "Irving House" and "Irving Hotel," and was kept by him while thus designated, it was held that he had a right to the use of those names, to the exclusion of other persons in the same city or town, and, on their subsequently setting up in the same city an hotel called "Irving Hotel," they were re-

⁴³ Lehigh Valley Coal Co. v. Hamblen (1885) 23 Fed. 225.

⁴⁴ People v. Home Life Assur. Co. (1897) 111 Mich. 405.

strained from the use of that name by injunction.⁴⁵ The court said: "We think that the principle of the rule is the same, to whatever subject it may be applied, and that a party will be protected in the use of a name which he has appropriated, and by his skill made valuable, whether the same is upon articles of personal property which he may manufacture, or applied to an hotel where he has built up a prosperous business. We are not disposed to interfere with the lawful pursuits of any one. Every man may and ought to be permitted to pursue a lawful calling in his own way, providing he does not encroach upon the rights of his neighbor or the public good, but he must not, by any deceitful or other practice, impose upon the public, and he must not, by dressing himself in another man's garments, and by assuming another man's name, endeavor to deprive that man of his own individuality, and thus despoil him of the gains to which, by reason of his industry and skill, he is fairly entitled. To make the application, if one man has, by close attention to the comfort of his guests, and by superior energy, made his hotel desirable for the traveler, and caused its name to become popular throughout the land, another man ought not to be permitted to assume the same name in the same town, and thus deprive him who first appropriated the name of some portion of the fruits of that goodwill which honestly belongs to him alone." Under the same rule, the words "Columbia,"⁴⁶ "What Cheer,"⁴⁷ "McCardel House,"⁴⁸ "Osborne House,"⁴⁹ "Von-

⁴⁵ Howard v. Henriques (1851) 3 Sandf. (N. Y.) 725; Cox, Man. Trade-Mark Cas. No. 103.

⁴⁶ Whitfield v. Loveless (1893) 64 Official Gaz. 442.

⁴⁷ Woodward v. Lazar (1863) 21 Cal. 449.

⁴⁸ McCardel v. Peck (1864) 28 How. Pr. (N. Y.) 120.

⁴⁹ Hudson v. Osborne (1869) 39 Law J. Ch. 79, 21 Law T. (N. S.) 386.

derbank Hotel,"⁵⁰ and "Wood's Hotel"⁵¹ have been protected; the owners of carriages run for hotel guests have been restrained from using the names "Irving House,"⁵² "Revere House,"⁵³ and "Prescott House,"⁵⁴ as indicating that such carriages were run in connection with the hotel named; the names "The Saratoga"⁵⁵ and "What Cheer"⁵⁶ have been sustained as trade-names for restaurants; the terms "New York Dental Rooms,"⁵⁷ "United States Dental Association,"⁵⁸ and "Colton Dental Rooms"⁵⁹ have likewise been sustained as trade-names. The terms "Carriage Bazaar,"⁶⁰ "Mechanics' Store,"⁶¹ "The Grosvenor Library,"⁶² "The Golden Lion,"⁶³ and "The Little Shop"⁶⁴ have also been protected. But the term "The Antiquarian Book Store"⁶⁵ was refused protection, as being merely descriptive, and, where plaintiff and defendant were dealers in ready-made clothing, and had adjoining stores, and plaintiff began to designate his store as "Mammoth Wardrobe," and put up such a sign, and defendant did the same, it was held that the

⁵⁰ Wood v. Sands (1875) Cox, Man. Trade-Mark Cas. No. 467.

⁵¹ Vonderbank v. Schmidt (1892) 44 La. Ann. 264.

⁵² Stone v. Carlan (1850) Cox, Man. Trade-Mark Cas. No. 104.

⁵³ Marsh v. Billings (1852) 7 Cush. (Mass.) 322.

⁵⁴ Deiz v. Lamb (1866) 6 Rob. (N. Y.) 537.

⁵⁵ Dewitt v. Mathey (1896) 18 Ky. Law Rep. 257, 35 S. W. 1113.

⁵⁶ Gamble v. Stephenson (1881) 10 Mo. App. 581.

⁵⁷ Sanders v. Utt (1884) 16 Mo. App. 322; Sanders v. Jacob (1885) 20 Mo. App. 96.

⁵⁸ Cady v. Schultz (1895) 19 R. I. 193.

⁵⁹ Colton v. Thomas (1868) 2 Brewst. (Pa.) 308.

⁶⁰ Bulnois v. Peake (1868) 13 Ch. Div. 513, note.

⁶¹ Weinstock v. Marks (1895) 109 Cal. 529.

⁶² Hoby v. Grosvenor Library Co. (1880) 28 Wkly. Rep. 386.

⁶³ Walker v. Alley (1867) 18 Grant Ch. 366.

⁶⁴ Crawford v. Laus (1899) 29 Misc. Rep. (N. Y.) 248.

⁶⁵ Choynski v. Cohen (1870) 39 Cal. 501.

words were only descriptive of the plaintiff's store, and an injunction was denied.⁶⁶

§ 172. Miscellaneous trade-names.

Other instances of trade-names that have come before the courts, and in which injunctions have been granted, are the following: The original establishment and designation of "Christy's Minstrels," it was held, entitled the founder thereof to the protection and benefit of the appellation exclusively.⁶⁷ The use of the foreign word "Valet," as a designation for the business of collecting and renovating worn clothing, being shown to be new and peculiar, it was held that a person earliest entitled to use in a city the name "The Brooklyn Valet" may restrain a city competitor in the same business from using the words "My Valet" in his trade and on his signs.⁶⁸ The trade-name "Six Little Tailors" was sustained.⁶⁹ It was held by the Philadelphia court of common pleas that title to property in the name "Keystone Line," acquired by many years' certain exclusive appropriation and use of it by shippers of merchandise who did not own the vessels employed by them, will be protected in equity.⁷⁰

⁶⁶ Gray v. Koch (1871) 2 Mich. N. P. 119.

⁶⁷ Christy v. Murphy (1856) 12 How. Pr. (N. Y.) 77.

⁶⁸ Cola v. Reynolds (1898) 26 Misc. Rep. (N. Y.) 473.

⁶⁹ Mosler v. Jacobs (1896) 66 Ill. App. 571.

⁷⁰ Stetson v. Winsor (1872) 9 Phila. (Pa.) 513. In this case the court said: "Property in the terms, names, and devices of trade and business has become as well established as property in any other matter or thing. It is based upon and controlled by the same general principles to which all property is subjected, and has no laws special to itself. The litigation which springs from it is rather for the decision of facts than for the establishment of peculiar or unknown principles. In a word, it is personal property, and has all the incidents thereof. It is acquired by certain exclusive appropriation, continued use, descent, or purchase, and may be relinquished by gift, sale, or abandonment. Its fraudulent appropria-

§ 179. Trade-name usually follows the business.

A trade-name usually belongs to and follows the business with which it is used, so that a sale of the business carries with it the trade-name by which the business is designated. In a leading New York case it is said: "In other words, the name of the business could be severed from the place where it was transacted, and, while thus separated, could be treated as an object of property, so as to prevent third persons from attaching it to their business, and thus depriving the owners of a legitimate profit which they might reap elsewhere under the same name. It seems plain that, if a banking house had acquired a name, such as that of "Baring Brothers," though there were no partner of the name of Baring, it would, on general principles of law, and independent of a statute preventing the use of fictitious names, have a property in such name, without reference to the particular place where the business was carried on. Though the name might be inseparable from the business, it would be separable from the premises, so that the business might, for example, be carried on on the opposite side of the street."⁷¹

§ 180. Trade-name affixed to particular building or locality.

A trade-name may be so applied to a particular building or *situs* of a business as to become attached to it and pass with it. This would undoubtedly be true in respect to many hotels, especially where the names used are impersonal. The name refers to the building or *situs*, rather than to the manager or person using it. Thus, where the action, though no less reprehensible in morals than the felonious taking of other personal property, has not yet become the subject of investigation and punishment by courts having jurisdiction of crimes. It is this, perhaps, which has made equity eager to arrest the spoliator *flagrante delicto* by its swiftest and sternest authority."

⁷¹ Glen & Hall Mfg. Co. v. Hall (1874) 61 N. Y. 226.

plaintiff, Booth, built, and, for several years thereafter, managed, a theater, and obtained great reputation for it as "Booth's Theater," and executed to another Booth a lease of it, the description containing the words "known as Booth's Theater," and the lessee assigned his lease to the defendants, and where plaintiff also executed two mortgages on the theater as "Booth's Theater," and the title passed to one of the mortgagees by foreclosure as "Booth's Theater," and, pending the foreclosure proceedings, the defendants, by an agreement in writing by order of the court, were accepted as tenants of the property known as "Booth's Theater," and had ever since been carrying on the theatrical business of said theater, designating the same on their hand-bills and billboards as "Booth's Theater," and representing themselves as lessees and managers, and the plaintiff asked that defendants be restrained from using the name "Booth" in connection with the theater theretofore known as "Booth's Theater," of which the defendants were lessees, and for damages, it was held that one of the inducements of the lease made by the plaintiff was the public reputation which "Booth's Theater" had acquired as a place of public amusement, and that the defendants, as assignees of said lease, succeeded to all the rights granted thereby. It was held, also, that the plaintiff, by his acts, had fixed his name to the theater so that his vendees and successors had a right to call this theater "Booth's Theater," the name which he had given it.⁷² So, also, where plaintiff transacted the clothing business from 1871 to 1877 at 150 West Market street, Louisville, Ky., as lessee of the building, which, during the time he occupied it, was known as "Tower Palace," these words being placed upon a large and conspicuous open sign, supported by a structure, upon the

⁷² Booth v. Jarrett (1876) 52 How. Pr. (N. Y.) 169.

top of the building, called "The Tower," and in 1877 appellant removed to a house on Jefferson street, where he carried on the same business. Defendants afterwards became occupants of the building, and in advertising their business indicated the place where it was carried on as "Tower Palace, No. 150 West Market Street." Plaintiffs sought to compel defendants to remove from the building the sign "Tower Palace," and to enjoin defendants from appropriating or using this term by advertising or otherwise. The court held, however, that the name "Tower Palace" was adopted and used by plaintiff and understood and recognized by his customers as a particular and appropriate designation and description of the house, and not of the business that plaintiff carried on there. The court quoted the following from an opinion of Justice Matthews:⁷³ "When the trade-mark consists merely in the name of the establishment itself where the manufacture is carried on, and becomes attached to the manufactured article only as the product of that particular establishment, a sale of the establishment will carry with it to the purchaser the exclusive right to use the name it had previously acquired in connection with his own manufacture, at the same place, of a similar article, by operation of law." The court also said: "We do not assent to the proposition that a tenant has the right to apply a name to a building without the consent of the owner, nor that a name which is intended to be and is descriptive of the place, as distinguished from the name adopted as a trade-mark, and applied to the particular business carried on there, can, at the pleasure of the tenant, be made to change its original signification, and applied to another and distinct place."⁷⁴

⁷³ Pepper v. Labrot (1881) 8 Fed. 29.

⁷⁴ Armstrong v. Kleinhans (1884) 82 Ky. 303.

In a case before the New York commission of appeals, the trade-name, "No. 10 South Water Street, Rochester, N. Y.," was involved. The justice, at the trial, found the following facts: "Joseph Hall established, more than thirty years before the trial, on South Water street, in the city of Rochester, a manufactory for the construction of threshing machines. The business was carried on extensively until his death, in 1865. His establishment was known for many years as 'Number 10 South Water Street.' The defendant, Charles S. Hall, purchased the establishment from the executors of Joseph Hall, together with 'the tools, patterns, and fixtures,' in May, 1868, and took possession of the same in February, 1869, since which time he has carried on the same business at the same place. In April he printed in his hand-bills, and adopted as his trade-mark, the words 'The Old Joseph Hall Agricultural Works, No. 10 South Water Street, Rochester, N. Y.,' and continued to use such trade-mark until restrained by the injunction granted in the action. In September or October, 1869, the plaintiff rented a small office on South Water street, a short distance from the defendant's place of business, and painted the number on it, and also printed the number on its bills and on its sign, in the following terms: 'The Glen & Hall Manufacturing Company, No. 10 South Water Street, Rochester, New York.' At this time the plaintiff was carrying on the same business as the defendant. Its shops were located in the town of Brighton, two miles and more from the shops of the defendant. It took the office in South Water street and adopted the number (10) with the intention of interfering with the defendant's business, and unfairly securing his customers." On these findings, the judge reached the conclusion of law that "Number 10," at the time of the purchase, in April, 1869, and since, was a material part of

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the defendant's trade-mark; that he was entitled to compensation for damages occasioned by his being restrained from using it, as well as to those sustained by reason of the plaintiff's use, and also in a perpetual injunction restraining the plaintiff from using said number as its trade-mark, or keeping the same on its office or building in South Water street, or using it in any way in imitation of the defendant's trade-mark. A motion for a new trial was granted by the general term, but, on appeal, this order was reversed, and the decision of the special term affirmed. In the decision of the justice at the special term, the phrase "No. 10 South Water Street" was regarded as a trade-mark. On appeal, however, this term was not regarded as a technical trade-mark, but was protected on principles analogous to those which are applied to trade-marks. In the opinion of Dwight, C., after quoting the definition of "trade-mark," and the application of trade-marks to natural products, it is said: "In the case at bar there was no product of industry or of nature. The trade-mark, if it existed at all, was attached to the building or works in which the products of human labor were made. This fact does not affect the application of the principle set forth in the Congress Spring Case. It is still true that the purchaser of an article manufactured at 'No. 10 South Water Street' has a right to have the very thing which he seeks, and the owner of the goods there manufactured has the right that the very thing sought shall be sold for his profit. * * *

It would follow, from these principles, that, if a person had established a business at a particular place, from which he has derived or may derive profit, and has attached to that business a name indicating to the public where or in what manner it is carried on, he has acquired a property in the name which will be protected from invasion by a court of

equity, on principles analogous to those which are applied in case of the invasion of a trade-mark."⁷⁵

§ 181. Trade-name personal to an individual.

A trade-name that is strictly personal can be used only by the person whom it designates. This rule arises from the fact that courts will not protect the use of a trade-name that will in any way deceive the public as to the manufacturer of the goods, or as to the proprietor of the business. This is particularly true in those cases in which personal skill is required of the manufacturer of the goods, or of the proprietor or conductor of the business. In some instances the courts have gone to extremes in the application of this rule. Thus, in the case of *Howe v. Searing*,⁷⁶ where the plaintiff sold to the defendant's assignor his lease of the premises known by the

⁷⁵ *Glen & Hall Mfg. Co. v. Hall* (1874) 61 N. Y. 226.

⁷⁶ (1860) 19 How. Pr. (N. Y.) 14. There was a very strong dissenting opinion by Justice Moncrief in this case, in which it is said: "The plaintiff adopted, appropriated, and used the words or name 'Howe's Bakery,' and by that name his establishment became known and was extensively patronized, and was a thing having specific value. The plaintiff so avers in his complaint. * * * The name or words 'Howe's Bakery' was nothing but a trade-mark, and as such is now sought to be protected by the plaintiff. The name or trade-mark passed by the assignment and transfer of the 'good-will,' and, if it was not the thing itself, it was an integral part of it. * * * The name 'Howe' had a living, physical existence to support it. It was not, therefore, fictitious. The name 'Howe' required nothing to sustain it. As a trade-mark, it is immaterial whether it is the name of animate or inanimate creation, or the purest effort of fancy on the part of its originator. Possibly the more original in its character, the better would be the protection afforded to it, the nearer it approaches to the right to be patented. The plaintiff cannot avail himself of the statute, even if it did apply. Having agreed to dispose and actually conveying the thing alleged to be prohibited, it does not lie with him to complain of his own violation of law, or a fraudulent representation to his vendee."

name of "Howe's Bakery," and stock in trade, with "the goodwill of the business of baking, now or heretofore carried on by me in the city of New York," and where defendant's assignor and defendant carried on the business at the same place under the name "Howe's Bakery," and where the plaintiff, Howe, afterwards returned to the business, and brought suit to restrain the defendant from designating the bakery establishment kept by him as "Howe's Bakery," and from otherwise using the name of "Howe" in the business, it was held that the plaintiff was entitled to an injunction, the court finding that the use of Howe's name by the defendant was calculated to mislead the public, and had induced persons to deal at the defendant's bakery under the supposition that they were dealing with Howe, who would otherwise have dealt at Howe's place. The court, however, rested its decision on a New York statute which provided that "no person shall hereafter transact business in the name of a partner [*quære*, person] not interested in his firm," holding that the principle and object of this statute extended to the case before it. In another case it appeared that one Ethel Atwood organized and employed a band of musicians, called "The Madette Ladies' Orchestra," and hired and paid the members of it, and afterwards sold to plaintiff all her right, title, and interest in and to the organization known as "The Madette Ladies' Orchestra," together with all rights acquired in and to the establishment, name, and trade-mark in the words "The Madette Ladies' Orchestra," and then ceased to have any connection with the company, the other members of the orchestra not being parties to the contract, and not agreeing to continue to play under the direction or management of the plaintiff. At the time of the sale, and for a short time thereafter, the orchestra was composed of substantially the same member-

ship as before the sale. Subsequently, a number of those composing the orchestra left it, and organized an association under the name of "The Fadettes," which association duly became a corporation, and thereafter gave musical concerts, and used in advertising such concerts, as well as in holding itself out for engagements, the name "The Fadette Ladies' Orchestra." The plaintiff filed a bill to enjoin the defendant organization from using the name "Fadette." At the time the bill was filed, no member of the original organization except the plaintiff remained. The court said: "The question is whether the plaintiff acquired a right in the trade-mark or trade-name which she can enforce by way of injunction against the defendant corporation, some of the members of which were members of the original corporation. It is very clear that this question must be answered in the negative. So far as Ethel Atwood had any right or ownership in the trade-name which designated the organization under her management, it was personal to herself, depending upon her personal reputation and skill, and it was not assignable. The other musicians employed by her could not, by her contract of sale, be put in the control of any other person, and there was nothing in her relation to them that she could convey. The case is not like those in which there is a sale of fixed property, and a local business to which the name belongs, and whose principal features remain unchanged after the sale. If the use by the plaintiff of the name 'Fadette Ladies' Orchestra' would have any influence beneficial to herself upon the public who wished to procure the services of such an organization, it would be only to mislead and defraud them by implying that she and such musicians as she employed were the same persons who had formerly gained a good reputation under this name. It is well settled that the courts will not

enforce a claim of this kind which contains a misrepresentation to the public."⁷⁷

§ 182. Elements of unfair competition usually present in trade-name cases.

In nearly all trade-name cases, even more than in trademark cases, elements of unfair competition are present. Usually, when a person adopts a trade-name closely resembling a name already in use, it is done for the purpose of diverting a part of the first user's business or patronage. If this is so, it will usually be made apparent to the court, and the case then becomes one of unfair competition. It will then be immaterial whether the name used is capable of exclusive appropriation or not. In many of the cases cited in this chapter, elements of unfair competition have been present.

⁷⁷ *Messer v. The Fadettes* (1897) 168 Mass. 140. In this case there was also a very able dissenting opinion by Lathrop, J., in which it is said: "It [the majority opinion] proceeds upon the ground that the name adopted by Ethel Atwood for the orchestra organized by her was not assignable, for the reason that it was personal to herself, and depended on her personal reputation and skill. The court below has found that the success of the orchestra 'was due to the ability, skill, and personal supervision of said Atwood.' It follows then, if the decision of the majority of the court is correct, that, if a business is conducted under a trade-name, the more the ability, skill, and personal supervision of the owner of the business conduces to its success, the less is the trade-name assignable with the business. I think this is not in accordance with sound principles or with the authorities. * * * In the case at bar I see no reason why the plaintiff was not entitled to have the trade-name of the orchestra protected. Such a name is clearly, to my mind, assignable. It also seems to me that the defendants, being merely employes of the plaintiff and of her predecessor in title, could not, by leaving, acquire the right to use the name under which they had before performed, or any name so similar as to deceive the public. It is not a case concerning the right of the majority of an association to the name, for here the name was invented by Atwood, and the defendants were hired by her."

CHAPTER IX.

INFRINGEMENT.

- § 183. **Classes of Infringement.**
- 184. **Infringements of the First Class.**
- 185. **Infringements of the Second Class.**
- 186. **Infringements of the Third Class, or Unfair Competition.**
- 187. **General Rule as to Infringement.**
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- 189. **Cases Holding Similarity must Amount to False Representation.**
- 190. **Caution Required on Part of Purchasers.**
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- 192. **Infringement may Appear from Accessories.**
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- 198. **Infringement not Excused by Custom of Trade.**
- 199. **Infringement by Manufacturer of Labels or Brands.**
- 200. **Refilling Packages Bearing Genuine Mark.**
- 201. **Sale of Low Grade for High Grade Goods of Same Manufacturer.**
- 202. **Infringing Use must be on Same Class of Goods.**
- 203. **Infringement not Avoided by Use of Infringer's Name.**
- 204. **Infringement not Avoided by Change of Accessories.**
- 205. **Instances of Infringement.**
- 206. **Instances of Noninfringement.**

§ 183. Classes of infringement.

In the light of the decisions upon the subject, infringement in trade may be defined as the aggression by one business party upon another's rights, in business, in one of three ways: First, the unauthorized use of such other's trade-mark or

trade-name; second, the unauthorized simulation of such other's trade-mark or trade-name; third, the unauthorized use or simulation of such other's business methods or business symbols, in which such other does not, or cannot legally, claim any exclusive right, as he can do in a trade-mark or trade-name. Either the first or the second infringement is legally complete without fraudulent intent upon the part of the infringer; and such intent is not a necessary element of proof in legally establishing the infringement, though fraud upon the part of the infringer may, and often does, exist in either case, particularly the second. The reason that fraud is not a necessary element in either of these two cases is because a trade-mark or a trade-name is a "property right," which may be invaded or encroached upon without any intention to do so, and even ignorantly or by accident. The third infringement "sounds in fraud,"—cannot exist without it,—and a fraudulent intent upon the part of the infringer must be directly proven, or be legally inferable from the evidence, to legally establish the infringement, which, when so established, is designated by the courts, "unfair competition."

§ 184. Infringements of the first class.

In cases of infringement of the first class, three questions must be determined against the alleged infringer to establish a right of action in the claimant: First, that the right to the exclusive use of the mark or name in question existed in the claimant at the time of the alleged infringement;¹ second, that the alleged infringer used such mark or name;² third, that such use was unauthorized. It is evident that the

¹ As to what constitutes a valid trade-mark or trade-name, see chapter 1.

² *Taendsticksfabriks Aktiebolaget Vulcan v. Myers* (1893) 139 N. Y. 364, 368, citing *Amoskeag Mfg. Co. v. Trainer* (1879) 101 U. S. 51.

first question is the important one in this class, for the other two depend upon it, and in most cases are of easy proof, if not apparent from the pleadings. In this class, also, the alleged infringement, when not the result of ignorance or accident upon the part of the infringer, may be under claim of right by him, based upon the following grounds: First, that, at the time of the alleged infringement, such right of exclusive use in the plaintiff had ceased to exist from abandonment³ or dedication,⁴ or, second, that the plaintiff could not claim the protection of the court⁵ because of his own fraudulent use of such right.⁶ All these matters must be settled adversely to the alleged infringer before a permanent injunction will be allowed or damages adjudged against him.⁷ In other parts of this work, many of these questions and the method of their determination are fully treated.

§ 185. Infringements of the second class.

In cases of infringements of the second class, three questions also must be determined against the alleged infringer before the right of action is established: First, that the right to the exclusive use of the mark or name in question existed in the claimant at the time of the alleged infringement;⁸ second,

³ As to abandonment of a trade-mark or trade-name, see chapter v.

⁴ As to cessation of right of trade-mark or trade-name, see chapter v.

⁵ As to effect of fraudulent use of trade-mark or trade-name, see chapter xiii.

⁶ *New York Consolidated Card Co. v. Union Playing Card Co.* (1886) 39 Hun (N. Y.) 611, 612.

⁷ *Calladay v. Baird* (1860) 4 Phila. (Pa.) 139; *McCardel v. Peck* (1864) 28 How. Pr. (N. Y.) 120.

⁸ *Taendsticksfabriks Aktiebolaget Vulcan v. Myers* (1893) 139 N. Y. 364, 368, citing *Amoskeag Mfg. Co. v. Trainer* (1879) 101 U. S. 51; *New York Consolidated Card Co. v. Union Playing Card Co.* (1886) 39 Hun (N. Y.) 611, 612.

that the alleged infringer simulated such mark or name;⁹ third, that such simulation was unauthorized. But in this class it is evident that not the first, but the second, may be the important question, for the reason that the purpose of the simulation may be to obtain for the alleged infringer all possible benefits and advantages which would otherwise accrue to the claimant from such exclusive right, and the reputation of the trade-mark or trade-name as such. The greater and more extended this reputation, the greater will be the benefits and advantages thus wrongly obtained, and hence it is unlikely that, in any case, the alleged infringer will attack, or try in any way to lessen, that reputation, which will be the direct result of his attack upon such right of exclusive use in the party claiming the mark. The policy of the alleged infringer will usually be involved in this second question,—that of the simulation,—and his effort will usually be to make that as complete as possible without subjecting himself to the charge of infringement, and upon the success of this effort will depend the beneficial results or gains to himself. And if any grounds, such as are mentioned in section 184, in regard to the first class of infringement, exist for attack upon such right of exclusive use in the party claiming the mark, the alleged infringer will not be likely to “simulate,” but will “use” the mark or name in question, and thus bring the case within the first class. Since most of the cases in this second class are tinged with fraud, the third question—that of authority—may not arise, or may be settled by the determination of the question of fraudulent simulation; and in the few cases of this class wherein fraud does not enter, the question of authority may be settled by the pleadings, or, if at issue, will require but little proof for its determination. In this second class, as well,

⁹ Calladay v. Baird (1860) 4 Phila. (Pa.) 139.

must the foregoing questions be fully determined adversely to the alleged infringer before the court will allow permanent injunction or judgment against him.

§ 186. Infringements of the third class, or unfair competition.

The whole matter of infringements of the third class, viz., unfair competition, is treated fully in the following chapter of this work, and therefore this chapter will be confined substantially to infringements of the first and of the second class.

§ 187. General rule as to infringement.

The general rule as to infringement of trade-marks and trade-names is that, as one person has no right to put off his goods for sale as those of another, he cannot be allowed to use names, marks, letters, or other *indicia* by which he may induce purchasers to believe that the goods he is selling are the manufacture of another person.¹⁰ Competition between manufacturers or vendors is favored by the courts, as being of benefit to the public, but competition must be fair. Rivals in trade must not resort to fraudulent or unfair means to sell their wares. They must not make use of the trade-marks or trade-names of others, or any simulation thereof, to mislead the purchasing public as to the true source and origin of such wares. Every suit for infringement of a trade-mark or trade-name is founded on the fact that the action, or the proposed action, of the defendant has deceived, or is calculated to deceive, purchasers, so that they have purchased, or will probably purchase, the goods of the defendant, under the mistaken belief that they are those of the complainant, to the damage of the latter. This deceit, or probable deceit, of the purchaser,

¹⁰ Perry v. Truefitt (1842) 6 Beav. 66; McCann v. Anthony (1886) 21 Mo. App. 83; Reddaway v. Banham (1896) 65 Law J. Q. B. Div. 381.

to such an extent that he buys, or will probably buy, the goods of one manufacturer or vendor, in the belief that they are those of another, is the *sine qua non* of every action for infringement. A wrong done or threatened, and consequent injury or probable injury to the complainant, are indispensable elements of every such cause of action. The mere intention to injure another, if no injury is done, or none ever will be done, constitutes no ground of relief. This intention must be coupled with some act that results, or is likely to result, in injury to another.¹¹ On the other hand, as a person is supposed to intend the natural result of his actions, if he adopts another's trade-mark or trade-name, or enters upon a line of action, the natural or probable result of which will be to deceive intending purchasers as to the origin of wares manufactured or sold by him, it will be immaterial what his real intentions were.¹² The legal wrong in these cases is in supplanting the genuine article by a spurious one,¹³ and the gist of the action is that the defendant sold, as and for the manufacture of the plaintiff, something that was not the plaintiff's manufacture, and that the spurious trade-mark was put on to facilitate the fraudulent sale.¹⁴ The true doctrine in these cases has been said to be "that no one should be permitted to so dress his goods or wares as to enable him to induce purchasers to believe that they are the goods of another."¹⁵ In all cases where rights to the exclusive use of a trade-mark are invaded, the essence of the wrong consists

¹¹ Kann v. Diamond Steel Co. (1898) 32 C. C. A. 324, 89 Fed. 706.

¹² El Modello Cigar Mfg. Co. v. Gato (1889) 25 Fla. 886; Saxlehner v. Apollinaris (1897) 66 Law J. Ch. Div. 533.

¹³ Miller Tobacco Manufactory v. Commerce (1883) 45 N. J. Law, 18.

¹⁴ Bloete v. Simon (1887) 19 Abb. N. C. (N. Y.) 88.

¹⁵ New York Cab Co. v. Mooney (1884) 15 Abb. N. C. (N. Y.) 152; Edelston v. Vick (1853) 23 Eng. Law & Eq. 51; Williams v. Spence

in the sale of goods of one manufacturer or vendor as those of another.¹⁶ Positive proof of fraudulent intent is not required when the proof of infringement is clear, as the liability of the infringer arises from the fact that he is enabled to sell a simulated article as and for the one which is genuine.¹⁷ Courts of equity have uniformly condemned the imitation of distinctive marks by which a manufacturer has chosen to distinguish his goods, when it is done for the purpose of deceiving the public, and advancing the business of one who would appropriate to himself the advantages secured through the successful enterprise and diligence of another.¹⁸ A person will be restrained, by injunction, from using the same trade-mark which has been previously used by another, and from any imitation of it with only colorable differences. An imitation of the trade-mark of a dealer with partial differences, such as the public would not observe, does him the same harm as an entire counterfeit, and will be enjoined accordingly.¹⁹ Where the trade-mark consists of a word, it may be used by the manufacturer who has appropriated it, in any style of print, or on any form of label, and its use by another in any form is unlawful. In such case, as the goods become known by the name or word by which they have

(1863) 25 How. Pr. (N. Y.) 366; *Lea v. Wolf* (1872) 13 Abb. Pr. (N. S.; N. Y.) 389; *Kinney v. Basch* (1877) 16 Am. Law Reg. (N. S.) 597; *Abbott v. Bakers' & Confectioners' Tea Ass'n* (1872) 7 Wkly. Notes Cas. 31.

¹⁶ *Duniway Pub. Co. v. Northwest Printing & Pub. Co.* (1884) 11 Or. 322.

¹⁷ *Le Page Co. v. Russia Cement Co.* (1892) 2 C. C. A. 555, 51 Fed. 941.

¹⁸ *Fleischmann v. Schuekmann* (1881) 62 How. Pr. (N. Y.) 92; *Thornton v. Crowley* (1881) 15 Jones & S. (N. Y.) 527; *Avery v. Meikle* (1883) 81 Ky. 73.

¹⁹ *Clark v. Clark* (1857) 25 Barb. (N. Y.) 76; *Williams v. Johnson* (1857) 2 Bosw. (N. Y.) 1; *Colton v. Thomas* (1868) 2 Brewst. (Pa.) 308.

been designated, and not merely by the manner or fashion in which the word is written or printed, or the accessories surrounding it, the unlawful use of the word in any form may be restrained.²⁰ An action to recover damages for violating a trade-mark will lie, although, at the time the article was sold by the defendant, the plaintiff employed another mark, and had ceased to use the one imitated. The wrong and injury to the plaintiff consist in the sale of an article falsely purporting and declared to be of his manufacture, whether the deceit be counterfeiting his present trade-mark, or one formerly used by him.²¹ When, in trade-mark cases, the power of the court is invoked, it is to restrain the defendant from making goods and selling them as and for goods manufactured or sold by the plaintiff, on the ground that such act works an injury to the plaintiff, and tends to mislead and deceive the public.²²

²⁰ *Electro-Silicon Co. v. Hazard* (1883) 29 Hun (N. Y.) 369, 375; *Hier v. Abrahams* (1880) 82 N. Y. 519.

²¹ *Lemoine v. Ganton* (1854) 2 E. D. Smith (N. Y.) 343.

²² *Samuel v. Buger* (1856) 13 How. Pr. (N. Y.) 342.

In *Powell v. Birmingham Vinegar Brewing Co.* (1896) 65 Law J. Ch. Div. 563-571, Kay, L. J.: "The law relating to this subject may be stated in a few propositions: First. It is unlawful for a trader to pass off his goods as the goods of another. Secondly, if this is done innocently, it will be restrained. *Millington v. Fox*, 3 Mylne & C. 338. Thirdly. *A fortiori* if done designedly, for that is a fraud. Fourthly. Although the first purchaser is not deceived, if the article is so delivered to him as to be calculated to deceive a purchaser from him, that is illegal. *Sykes v. Sykes*, 3 Law J. K. B. (O. S.) 46, 3 Barn. & C. 541. Fifthly. One apparent exception is that, where a man has been describing his goods by his own name, another man, having the same name, cannot be prevented from using it, though it may have the effect of deceiving purchasers. *Burgess v. Burgess*, 22 Law J. Ch. 675, 3 De Gex, M. & G. 896, and *Turton v. Turton*, 58 Law J. Ch. Div. 677, 42 Ch. Div. 128. Sixthly. But this exception does not go far. A man may so use his own name as to infringe the rule of law. 'It is a question of evi-

§ 188. Resemblance necessary to constitute infringement.

No fixed rule can be laid down as to the degree of resemblance necessary to constitute an infringement of a trade-mark or trade-name. In determining this question, regard must be had to all the circumstances of each case. The class of people who buy the goods, or deal with the parties, and the place where the goods are usually exposed for sale, must be considered. If the resemblance is sufficiently close to deceive a person buying in the usual way, and using ordinary caution, and cause him to purchase the goods of one manufacturer as and for the goods of another, there is an infringement.²³ The supreme court of the United States has said:

dence in such case whether there is false representation or not.' Per Lord Justice Turner, in *Burgess v. Burgess*, supra. So he may be restrained if he associates another man with him, so that, under their joint names, he may pass off goods as the goods of another firm. *Croft v. Day*, 7 Beav. 84; *Clayton v. Day*, 26 Sol. J. 43, and *Melachrino v. Melachrino Egyptian Cigarette Co.*, 4 Pat. Rep. 215. Seventhly. Another apparent exception is where a man has, under a patent, had a monopoly for fourteen years, and has given the article a descriptive name, he cannot, when the patent has expired, prevent another selling it under that name. *Young v. Macrae*, 9 Jur. (N. S.) 322, and *Linoleum Mfg. Co. v. Nairn*, 47 Law J. Ch. 430; *Id.*, 7 Ch. Div. 834. Eighthly. I am not sure if this would be so if the name so used were the name of the patentee, or even a purely fanciful name, not descriptive. Ninthly. Certainly, where there has not been a patent, and an article has been made and sold under a principal name not descriptive, so that the article as made by one person has acquired reputation under that name, another trader will not be permitted to use the name for a similar article, made by him. *Braham v. Bustard*, 1 Hen. & M. 447, and *Cochrane v. McNish*, 65 Law J. P. C. 20; *Id.* [1896] App. Cas. 225. In this last proposition there is again a limitation. If the first maker has slept upon his rights, and allowed the name to be used by others, until it has become *publici juris*, the court will not interfere."

²³ *Amoskeag Mfg. Co. v. Trainer* (1879) 101 U. S. 63; *Wotherspoon v. Currie* (1872) L. R. 5 H. L. 519; *Improved Fig Syrup Co. v. California Fig Syrup Co.* (1893) 54 Fed. 175; *Celluloid Mfg. Co.*

“Two trade-marks are substantially the same in legal contemplation if the resemblance is such as to deceive an ordinary

v. Cellonite Mfg. Co. (1887) 32 Fed. 94; Glen Cove Mfg. Co. v. Ludeling (1885) 22 Fed. 823; Rowley v. Houghton (1868) 2 Brewst. (Pa.) 303, 7 Phila. (Pa.) 39; Bradley v. Norton (1865) 33 Conn. 157; Swift v. Dey (1865) 4 Robt. (N. Y.) 611; Filley v. Fassett (1869) 44 Mo. 168; Hostetter v. Vowinkle (1871) 1 Dill. 329, Fed. Cas. No. 6,714; Burke v. Cassin (1873) 45 Cal. 467; Liggett & Myers Tobacco Co. v. Sam. Reid Tobacco Co. (1890) 104 Mo. 53; Sterling Remedy Co. v. Eureka Chemical & Mfg. Co. (1897) 80 Fed. 105; N. K. Fairbank Co. v. Swift & Co. (1896) 64 Ill. App. 477; Consolidated Fruit Jar Co. v. Thomas (1879) 2 N. J. Law J. 272, Fed. Cas. No. 3,131; Sperry v. Percival Milling Co. (1889) 81 Cal. 252; Shaver v. Shaver (1880) 54 Iowa, 208; Orr v. Johnston (1880) 13 Ch. Div. 434; Johnston v. Orr Ewing (1882) 7 App. Cas. 219; Thornton v. Crowley (1881) 47 N. Y. Super. Ct. 527; Shaw Stocking Co. v. Mack (1882) 12 Fed. 707; Wirtz v. Eagle Bottling Co. (1892) 50 N. J. Eq. 164; Drummond Tobacco Co. v. Addison Tinsley Tobacco Co. (1892) 52 Mo. App. 10; Cuervo v. Landauer (1894) 63 Fed. 1003; Powell v. Birmingham Vinegar Brewing Co. (1896) 65 Law J. Ch. Div. 563; Liggett & Myers Tobacco Co. v. Hynes (1884) 20 Fed. 883; Sohl v. Geisendorf (1871) 1 Wils. (Ind.) 60; Mossler v. Jacobs (1896) 66 Ill. App. 571; Williams v. Johnson (1857) 2 Bosw. (N. Y.) 1.

In *McLean v. Fleming* (1877) 96 U. S. 245, Clifford, J.: “What degree of resemblance is necessary to constitute an infringement is incapable of exact definition, as applicable to all cases. All that courts of justice can do in that regard is to say that no trader can adopt a trade-mark so resembling that of another trader as that ordinary purchasers, buying with ordinary caution, are likely to be misled.”

In *Solis Cigar Co. v. Pozo* (1891) 16 Colo. 388, Bissell, C.: “Exact similarity is not necessary. To insist on that would be to permit most wrongdoers to evade responsibility. Colorable imitations are as much the subject of legal redress as the more exact and perfect similitudes. What is necessary in all cases is a similarity which will operate to convey a false impression to the ordinary purchaser, and serve to deceive and mislead him. The rule is grounded as much on the notion that the public is to be protected as on the theory that the inventor may have the exclusive benefit of the reputation acquired by the thing which he has produced. For this reason, it is always essential to show that the invention is of a char-

purchaser, giving such attention to the same as such a purchaser usually gives, and to cause him to purchase the one,

acter to escape the ordinary caution used in the purchase of the articles protected."

In *Potter v. McPherson* (1880) 21 Hun (N. Y.) 559, 566, Daniels, J.: "In order to render it necessary that a publication or imitation of this nature should be restrained, it is sufficient that persons who may desire to purchase the plaintiff's publication might very well accept that of the defendants, supposing and believing it to be the same. That the difference might be readily detected by a comparison of one book with the other is not sufficient to allow the defendants to appropriate and use the plaintiff's title. If, in its use, persons under ordinary circumstances, desiring to purchase one, would receive the other in its place, believing they had obtained the work intended to be bought, that will not only justify but require the court to interfere, for the purpose of preventing the use of plaintiff's title."

In *Rubel v. Allegretti Chocolate Cream Co.* (1898) 76 Ill. App. 581, 589, Horton, J.: "In order to authorize the interference of chancery, it is not necessary that a trade-mark should be copied with the fullest accuracy. An imitation which varies from the original in some particular, may be restrained * * * if the imitation is calculated to deceive, and may be taken for the original."

In *McCartney v. Garnhart* (1870) 45 Mo. 593, 595, Currier, J.: "To justify an injunction [against a defendant from the use of a certain brand as an alleged counterfeit or imitation of that of plaintiff], * * * it should at least appear that the resemblance between the two brands was sufficiently close to raise the probability of mistake on the part of the public, or design and purpose to mislead and deceive on the part of the defendant."

In *Swift v. Dey* (1865) 4 Robt. (N. Y.) 611, 612, Robertson, Ch. J.: "The proper question should be, not differences, but points of resemblance; not the utmost vigilance of purchasers, but ordinary observation. The value of the goods to be sold, and the intelligence of the persons dealing in and consuming them, besides other circumstances, are also to be taken into account in determining the adaptability of a simulated trade-mark to deceive purchasers."

In *McCann v. Anthony* (1886) 21 Mo. App. 83-90, Thompson, J.: "It is not necessary that the trade-mark, trade-name, sign, label, or other device which is employed by one merchant for that purpose

supposing it to be other.”²⁴ And also that, “where the similarity is sufficient to convey a false impression to the public mind, and is of a character to mislead and deceive the

shall be an exact imitation or counterfeit of the trade-mark, trade-name, sign, label, or other device employed by the other manufacturer. Nor is it required that the imitation be so close as to deceive cautious and prudent persons. It is sufficient that it be so close as to deceive the incautious and unwary, and thereby work substantial injury to the other manufacturer.”

In *Blackwell v. Wright* (1875) 73 N. C. 310, 313, Bynum, J., said that one who asks, upon general principles of equity, independent of statutes, to have an infringement of his trade-mark enjoined, “must show not only that he has a clear legal right to the trade-mark, but that there has been a plain violation of it; and where a violation is alleged, the true inquiry is whether the mark of the defendant is so assimilated to that of the plaintiff as to deceive purchasers. And it will make no difference whether the party designed to mislead the public, or whether the symbol adopted was calculated to deceive. If it appear that the trade-mark alleged to be imitated, though resembling the complainant’s in some respects, would not probably deceive the ordinary mass of purchasers, an injunction will not be granted. An imitation is colorable, and will be enjoined, which requires a careful inspection, to distinguish its mark and appearance from that of the manufacture imitated.”

In *Liggett & Myer Tobacco Co. v. Hynes* (1884) 20 Fed. 883, 885, Parker, J.: “In looking at the trade-mark to see whether it is so far an imitation of another as to deceive ordinary customers exercising ordinary care when purchasing, we must not look at the device alone, but we must also examine the article upon which it is placed, and, if there is a resemblance in it to another article bearing the same trade-mark that is claimed to have been infringed, and if this resemblance, when blended with the appearance of the device, has a tendency to deceive the ordinary public into the belief that they are buying the other article, then the very nature of the article becomes potential evidence in the case to show a purpose to deceive.”

In *Johnson v. Bauer* (1897) 27 C. C. A. 374, 376. 82 Fed. 662, 663, Jenkins, Cir. J.: “The imitation need only be slight, if it attaches

²⁴ *McLean v. Fleming* (1877) 96 U. S. 256, citing *Gorham v. White* (1871) 14 Wall. (U. S.) 511.

ordinary purchaser, in the exercise of ordinary care and caution in such matters, it is sufficient to give the injured party a right to redress."²⁵ This court has also held that the resemblance need not be such as would deceive experts or persons who, because of their peculiar knowledge from their being wholesale or retail dealers, or in any other way, are especially conversant with the trade-mark simulated.²⁶ Hence, to constitute an infringement, exact similarity is not required. The resemblance need not be so close as to deceive persons seeing the two marks placed side by side. It is sufficient if it is apparent or manifest to the court that the infringing mark bears such a resemblance to the genuine as to be calculated to mislead the public generally.²⁷ If a purchaser, looking at

to what is most salient, for the usual inattention of a purchaser renders a goodwill precarious if exposed to imposition."

In *Mossler v. Jacobs* (1896) 66 Ill. App. 571, 575, Waterman, J.: "The court [of equity] is not bound to interfere where ordinary attention will enable a purchaser to discriminate between the trade-marks used on goods manufactured by different parties; nevertheless, the character of the article, the use to which it is put, and the kind of people who are likely to ask for it, as well as the manner in which it is probable it will be ordered, must not be lost sight of."

²⁵ *McLean v. Fleming* (1877) 96 U. S. 255.

²⁶ *Amoskeag Mfg. Co. v. Trainer* (1879) 101 U. S. 64.

In *Avery v. Meikle* (1887) 85 Ky. 435-445, Pryor, C. J.: "This court said: 'By skillful combination of legal particles, taken one at a time, and in the aggregate leaving the mere trade-mark untouched, they have so confused its force and effect as to destroy its office and efficiency to distinguish appellants' plows from all others.' *Avery v. Meikle & Co.*, 81 Ky. 113. * * * The trade-mark is his [appellant's] property, the manufacture the result of his skill; and where one undertakes, by coloring, painting, and so arranging his manufacture as enables him to virtually destroy the trade-mark of another, and to sell his own as the product of the skill of the real inventor, it is as much a violation of the right of property in the trade-mark as if the trade-mark itself had been used."

²⁷ *Liggett & Myer Tobacco Co. v. Hynes* (1884) 20 Fed. 883; *Sohl v. Geisendorf* (1871) 1 Wils. (Ind.) 60.

the article offered to him, would naturally be led, from the mark impressed on it, to suppose it to be the production of another, and would purchase it in that belief, it is an infringement. Nor is the actual physical resemblance of the two marks the only consideration. If the goods of one manufacturer have, from the mark or device he has used, become known on the market by a particular name, the adoption by another of any mark that will cause his goods to bear the same name in the market may be as much an infringement as an actual copy of the mark.²⁸ An injunction ought therefore to be granted whenever the design, apparent or proved, of a person who imitates a trade-mark, is to impose his own goods upon the public as those of the owner of the mark, and the imitation is such that the success of the design is a probable, or even possible, consequence; and an injunction must be granted whenever the public is in fact misled, whether intentionally or otherwise, by the adoption of marks or symbols, which the party who first employed them had a right to appropriate, for the reason that, when a right of property has been thus acquired, it must be protected.²⁹ In order to constitute an infringement, however, there must be, between the genuine and fictitious marks, some general similarity or resemblance of form, color, symbols, designs, and such identity of words and their arrangement, as to have a direct tendency of misleading buyers who exercise the usual amount of prudence and caution, and there will usually be found, in all infringement cases, such a distinctive individuality in the mark employed by the counterfeiter as to procure for him the ben-

²⁸ *Seixo v. Provezende* (1865) 1 Ch. App. 192; *Hier v. Abrahams* (1880) 82 N. Y. 519.

²⁹ *Amoskeag Mfg. Co. v. Spear* (1849) 2 Sandf. (N. Y.) 599; *New York Cab Co. v. Mooney* (1884) 15 Abb. N. C. (N. Y.) 152; *McCann v. Anthony* (1886) 21 Mo. App. 83.

efit of the deception resulting from the general resemblance between the genuine and counterfeit trade-marks.³⁰

§ 189. Cases holding similarity must amount to false representation.

In the early case of *Partridge v. Menck*,³¹ decided in 1845 by Vice-Chancellor Sandford, it was said: "Now, although the court will hold any imitation colorable which requires a careful inspection to distinguish its marks and appearance from those of the manufacture imitated, it is certainly not bound to interfere, where ordinary attention will enable a purchaser to discriminate. It does not suffice to show that persons incapable of reading the labels might be deceived by the resemblance. It must appear that the ordinary mass of purchasers, paying that attention which such persons usually do in buying the article in question, would probably be deceived." This case and that of *Merrimack Mfg. Co. v. Garner* were criticised by Judge Allison, of the court of common pleas of Philadelphia, delivering the opinion of the court, in 1868, in the case of *Colton v. Thomas*,³² in the following language: "I am aware that the general doctrine upon which courts of equity are asked to interpose in cases of this kind has been somewhat shaken by the case of *Partridge v. Menck*, 2 Sandf. Ch. (N. Y.) 622, and cases which have followed in its lead. The doctrine of *Partridge v. Menck* is that courts of equity will not interfere, by way of injunction, where ordinary attention will enable a purchaser to discriminate between the marks or symbols employed, but it is clear that the current of authority is very decidedly against the

³⁰ *Calladay v. Baird* (1860) 4 Phila. (Pa.) 139; *Rowley v. Houghton* (1868) 2 Brewst. (Pa.) 303.

³¹ (1847) 2 Sandf. Ch. (N. Y.) 622.

³² (1868) 2 Brewst. (Pa.) 308.

doctrine of Vice-Chancellor Sandford, because it holds out a premium and encouragement to the cunning and crafty to exercise their ingenuity to accomplish, by a cheat, skillfully executed, that which they would not be allowed to do by a direct and undisguised piracy. How much better does the doctrine harmonize with the principles of honesty and fair dealing, that wherever, upon the face of the label or symbol or sign or name, there is a plain and manifest design to make the counterfeit appear in the eye of the public to be that which it is not, the probable and natural result of which must be to appropriate, by this means, to the maker of the counterfeit, the benefit or profit which belongs to the true owner of a trade-mark, that in such case preventive justice will not be invoked in vain. It matters little to the rightful owner of property of this description whether the public is cautious or incautious, if, by a simulation, he is deprived of his just gains; and the error of *Partridge v. Menck* and *Merrimack Mfg. Co. v. Garner*³³ consists of an improper application of the rule of cautious examination as to the person against whom the injury is done. It might be well to reply, in an action for damages against the vendor of merchandise by a purchaser thus imposed on, 'Your eyes are your market; why do you not examine with carefulness, and you would not have been deceived?' But it is difficult to ascertain, upon principle, why another party, who is injured by such deception, who was not present to protect himself, should be without remedy because an imposition had, with skill, been practiced, to his loss, by an imitation or simulation of his trade-mark. We prefer rather to hold to the older and higher toned and better fortified doctrine of the law."

In the next year, in the same court, Judge Paxson, in

³³ (1855) 4 E. D. Smith (N. Y.) 387.

the case of *Dixon Crucible Co. v. Guggenheim*,³⁴ quoted the following with approval from *Upton on Trade-Marks*:³⁵ "That a similarity between two trade-marks, used by different manufacturers for their goods, although of such a character as to induce a belief in the mind of the public that they belong to and designate the goods of the same manufacturer or trader, is not of itself sufficient ground for a prohibition of the use of such trade-mark by him who did not first adopt it. That similarity, to entitle the originator to the protection of the law, must be such as to amount to a false representation, not alone that the two articles have the same origin, but that the goods to which the simulated mark is attached are the manufacture of him who first appropriated the trade-mark." This statement was adopted by the supreme court of Illinois in the case of *Candee v. Deere*,³⁶ also decided in 1870, and by the court of appeals of New York in 1876 in *Popham v. Cole*,³⁷ this court adding that the maxim, "*Vigilantibus non dormientibus leges subserviunt*," is applied to such cases. It was also adopted by the court of appeals of New York in *Hier v. Abrahams*,³⁸ decided in 1880. It was quoted with approval by the supreme court of New York in *Electro-Silicon Co. v. Hazard*, in 1883.³⁹ More than twenty years after laying down this rule, Judge Paxson, sitting upon the supreme bench of the state of Pennsylvania, and delivering the opinion of the court in *Heinz v. Lutz*,⁴⁰ quoted this statement with the following words of approval: "*Dixon Crucible Co. v. Guggenheim*, 7 Phila.

³⁴ (1870) 7 Phila. (Pa.) 408.

³⁵ *Upton. Trade-Marks*, p. 136.

³⁶ (1870) 54 Ill. 439.

³⁷ (1876) 66 N. Y. 69.

³⁸ (1880) 82 N. Y. 519.

³⁹ (1883) 29 Hun (N. Y.) 369.

⁴⁰ (1892) 146 Pa. 592.

(Pa.) 408, decided by the writer when sitting in the common pleas of Philadelphia, has been so generally accepted as law that I may be excused for giving a brief extract from the opinion in that case." In *Brown v. Seidel*,⁴¹ the supreme court of Pennsylvania followed the decision in *Heinz v. Lutz*.

In *Gilman v. Hunnewell*,⁴² decided in 1877 by the supreme judicial court of Massachusetts, it is said: "All the authorities agree that the court will not restrain a defendant from the use of a label on the ground that it infringes the plaintiff's trade-mark, unless the form of the

⁴¹ (1893) 153 Pa. 60.

⁴² (1877) 122 Mass. 139.

See, also, *Stokes v. Allen* (1890) 56 Hun (N. Y.) 526.

In *Heinz v. Lutz* (1892) 146 Pa. 592-610, Paxson, C. J.: "A court of equity will not restrain a person from using a device, on the ground that it infringes plaintiffs' trade-mark, unless it is so similar in appearance that any person using such reasonable care and observation as the public generally are capable of using, and may be expected to exercise, would mistake the one for the other. *Gilman v. Hunnewell*, 122 Mass. 139; *Desmond's Appeal*, 103 Pa. 126. In trade-marks, in order to entitle the plaintiffs to relief by injunction, the resemblance must be such that ordinary purchasers, dealing with ordinary caution, are likely to be misled. *McLean v. Fleming*, 96 U. S. 245. The court is not bound to interfere where ordinary attention will enable the purchaser to discriminate. *Talcot v. Moore*, 6 Hun (N. Y.) 106. And it was said by the court of errors and appeals of New York in *Popham v. Cole*, 66 N. Y. 69: 'The question in this as in every other similar case is whether there is such resemblance between the two as to deceive the purchaser using reasonable caution.' So, in the case of *Merrimack Mfg. Co. v. Garner*, 4 E. D. Smith (N. Y.) 387, the court says: 'The courts are not bound to interfere when ordinary attention will enable a person to discriminate. We must assume that dealers and consumers have ordinary intelligence, and adopt reasonable precautions against imposition and fraud.' * * * It is not enough that there may be a possibility of deception. The offending label must be such that it is likely to deceive persons of ordinary intelligence. It is not necessary to show that persons have been deceived."

printed words, the words themselves, and the figures, lines, and devices, are so similar that any person, with such reasonable care and observation as the public generally are capable of using, and may be expected to exercise, would mistake the one for the other.”

§ 190. Caution required on part of purchasers.

While, as seen by the cases cited in the foregoing section and the notes thereto, there is considerable conflict in the language of the decisions as to the degree of caution required on the part of purchasers, the rule generally accepted at the present time is that a court will assume that the purchasing public is possessed of ordinary intelligence, and that, in purchasing articles, it will exercise ordinary care and caution.⁴³ This, however, is a very flexible rule, and one that may be made to cover almost any degree of care upon the part of purchasers. A person who has become accustomed to buying an article under a well-known trade-mark will not be expected to exercise any great degree of care in making his purchases. If some particular familiar feature strikes his eye, he may be excused from looking carefully at any of the accessories. He has no reason to suspect that the familiar feature is used upon any but the genuine article, and he has a right to disregard all minor features, or at least he will be excused if he pays no attention to them.

In ruling upon the question, in cases of infringement, as to the “caution required to be exercised on the part of the purchaser,” courts have used the following language: In *McLean v. Fleming*:⁴⁴ “No trader can adopt a trade-mark so resembling that of another trader as that ordinary purchasers, buying with ordinary caution, are likely to be misled;” “the general appearance of the package * * * is

⁴³ See section 188, and cases there cited.

⁴⁴ (1878) 96 U. S. 245.

well calculated to mislead and deceive the unwary;" and "if the resemblance is such as to deceive an ordinary purchaser giving such attention to the same as such a purchaser usually gives." In *Consolidated Fruit Jar Co. v. Thomas*:⁴⁵ "Where the imitation is so close that * * * purchasers exercising ordinary caution are liable to be misled." In *Gilman v. Hunnewell*:⁴⁶ "Unless the form of the printed words, the words themselves, and the figures, lines, and devices, are so similar that any person, with such reasonable care and observation as the public generally are capable of using and may be expected to exercise, would mistake the one for the other." In *Colman v. Crump*:⁴⁷ "If the resemblance is such as to deceive a purchaser of ordinary caution, or if it is calculated to deceive the careless and unwary." In *Hurricane Patent Lantern Co. v. Miller*:⁴⁸ "So dissimilar that they cannot, in my opinion, be mistaken as intended to represent the same article by any but the most careless observer." In *Dreydoppel v. Young*:⁴⁹ "To increase the counterfeit resemblance, they [the defendants] have added devices which may be readily mistaken for the medals of the plaintiff by unlettered persons, or persons not making a careful and critical comparison between the two."

In *Brooklyn White Lead Co. v. Masury*:⁵⁰ it was held that an injunction will be granted to restrain the use of a trademark which appears to have been adopted in imitation of the plaintiff's, and which would have the effect of making the defendant's goods pass for the plaintiff's with any but the most cautious. The court said that such use of a false

⁴⁵ (1879) 2 N. J. Law J. 272, Fed. Cas. No. 3,131.

⁴⁶ (1877) 122 Mass. 139.

⁴⁷ (1877) 70 N. Y. 573.

⁴⁸ (1878) 56 How. Pr. (N. Y.) 234.

⁴⁹ (1880) 14 Phila. (Pa.) 226.

⁵⁰ (1857) 25 Barb. (N. Y.) 416.

name is in violation of a party's right to sell his own, to the incautious as well as to the cautious.

In *N. K. Fairbank Co. v. Swift & Co.*⁵¹ it was said: "While the court is not bound to interfere where ordinary attention will enable the purchasers to discriminate between the trade-marks used on the goods manufactured by different parties, nevertheless the character of the article, the use to which it is put, and the kind of people who are likely to ask for it, as well as the manner in which it is probable it will be ordered, must not be lost sight of."

In *Battle v. Finlay*,⁵² Judge Pardee held that the true test in trade-mark cases is (1) whether the trade-mark is infringed, and (2) whether incautious purchasers may be deceived, and said: "Wherever it appears that an incautious or ordinarily unsuspecting purchaser is liable to be deceived by the wrongful use of the trade-mark, equity never fails to give a remedy."

In *Glenny v. Smith*,⁵³ the court said: "And it is not the question whether the public generally, or even a majority of the public, is likely to be misled, but whether the unwary, the heedless, the incautious portion of the public would be likely to be misled."

In *Singer Mfg. Co. v. Wilson*,⁵⁴ Sir George Jessel, M. R., said: "I am not, as I consider, to decide cases in favor of fools or idiots, but in favor of ordinary English people, who understand English when they see it, and are not deceived by any difference in type, but who have before them a very plain statement."

⁵¹ (1896) 64 Ill. App. 477.

⁵² (1891) 45 Fed. 796.

⁵³ (1865) 2 Drew. & S. 476, 11 Jur. (N. S.) 964, 13 Law T. (N. S.) 11, 13 Wkly. Rep. 1032, 6 New Reports, 363.

⁵⁴ (1876) 2 Ch. Div. 431, 45 Law J. Ch. Div. 491, 34 Law T. (N. S.) 858.

Where trade-marks on a certain class of merchandise contained in the same form of package (as flour) are very numerous and similar, the rule is that some care must be exercised to distinguish one trade-mark from another, and if, this care being exercised, the difference is easily distinguishable, the second trade-mark does not infringe.⁵⁵

§ 191. Not necessary that anyone has actually been deceived.

It is not necessary, in order to establish a right to an injunction or a right to recover damages against an alleged infringer of a trade-mark, to show that any one has actually been deceived by the alleged infringing mark, and has purchased the defendant's goods in the belief that they were goods bearing the genuine mark. To constitute an infringement, as already stated, it will be sufficient to show that the imitation is such as would be likely to mislead one in the ordinary course of purchasing the goods, and lead him to suppose or believe that he was purchasing the genuine article.⁵⁶

§ 192. Infringement may appear from accessories.

It frequently occurs that an imitator of a trade-mark, while using a word or mark that in itself is not a close simulation of the genuine, will accompany the mark with such accessories as to render the mark a colorable imitation. The

⁵⁵ *Columbia Mill Co. v. Alcorn* (1889) 40 Fed. 676.

⁵⁶ *Liggett & Myers Tobacco Co. v. Sam. Reid Tobacco Co.* (1890) 104 Mo. 53; *Filley v. Fassett* (1869) 44 Mo. 168; *Drummond Tobacco Co. v. Addison Tinsley Tobacco Co.* (1892) 52 Mo. App. 10; *Collinspiatt v. Finlayson* (1898) 88 Fed. 693; *Bank of Tomah v. Warren* (1896) 94 Wis. 152; *Shaw v. Pilling* (1896) 175 Pa. 78; *Listman Mill Co. v. William Listman Milling Co.* (1894) 88 Wis. 334; *Taendstieksfabriks Aktiebolaget Vulcan v. Myers* (1893) 139 N. Y. 364; *Wirtz v. Eagle Bottling Co.* (1892) 50 N. J. Eq. 164; *India Rubber Co. v. Rubber Comb & Jewelry Co.* (1879) 45 N. Y. Super. Ct. 258.

question whether the infringer has colorably imitated the genuine mark cannot always be solved by considering the resemblances between the marks themselves. If the infringer has dressed his mark in such accessories that it may be mistaken for the original, that circumstance is not to be overlooked. Where a word is used as a trade-mark, it is addressed to the eyes as well as to the ears of purchasers of the article to which it is affixed. It cannot be disassociated from its surroundings when the inquiry is whether, as used, it is a colorable imitation of another's trade-mark. Where a defendant had artfully garbed and draped a word used by him bearing a close resemblance to the complainant's word, the court said that its identity was rendered more indistinguishable from that of the complainant than it was intrinsically, and took this fact into consideration in holding that there was an infringement.⁵⁷

§ 193. May be determined by inspection.

In determining whether a trade-mark has been infringed, the court may base its conclusions upon a comparison of the devices used by plaintiff and defendant, and does not necessarily require the testimony of witnesses as to the likeness.⁵⁸

⁵⁷ *Glen Cove Mfg. Co. v. Ludeling* (1885) 22 Fed. 823.

⁵⁸ *Coats v. Merrick Thread Co.* (1893) 149 U. S. 562; *Liggett & Myers Tobacco Co. v. Finzer* (1888) 128 U. S. 183; *Von Mumm v. Frash* (1893) 56 Fed. 830; *Duniway Pub. Co. v. Northwest Printing & Pub. Co.* (1884) 11 Or. 322; *India Rubber Co. v. Rubber Comb & Jewelry Co.* (1879) 45 N. Y. Super. Ct. 258; *Potter v. McPherson* (1880) 21 Hun (N. Y.) 559; *Liggett & Myer Tobacco Co. v. Hynes* (1884) 20 Fed. 883; *Metcalfe v. Brand* (1887) 86 Ky. 331; *Lever v. Goodwin* (1887) 36 Ch. Div. 1; *Keller v. B. F. Goodrich Co.* (1888) 117 Ind. 556; *Heinz v. Brueckmann* (1890) 134 Pa. 495; *Fischer v. Blank* (1892) 64 Hun, 635, 19 N. Y. Supp. 65; *Drummond Tobacco Co. v. Addison Tinsley Tobacco Co.* (1892) 52 Mo. App. 10; *Wirtz v. Eagle Bottling Co.* (1892) 50 N. J. Eq. 164; *Cuervo v. Landauer* (1894) 63 Fed. 1003; *Burt v. Smith* (1895) 71 Fed. 161; *Brown v* (340)

Whether one thing is a colorable imitation of another is answered most satisfactorily by judicial inspection and comparison of the two, and, if the court is convinced that the two things are near enough to deceive or mislead the ordinary purchaser, in the exercise of ordinary care and caution, no amount of expert evidence of substantial differences would justify the court in withholding the injunction.⁵⁹

§ 194. Expert evidence may be admissible.

While the main test of the alleged resemblance in a trademark case is an inspection by the court of the original trademark, and of the alleged infringement, nevertheless, in determining whether an ordinary customer, having neither the opportunity for comparison nor the time for examination, would be likely to be deceived by the similarity, the opinion of witnesses familiar with the trade and the habits of customers is of weight, and, when aided by evidence of actual deception, should be controlling unless the dissimilarity between the two marks is such as to exclude any probability of deception.⁶⁰ In investigations as to the question of infringement, the court may be aided to some extent by experts.⁶¹ For the purpose of proving that the alleged infringing packages with their labels so closely resemble those of the plaintiff's as to mislead an ordinary purchaser, wholesale dealers in the articles in question may testify as experts.⁶²

Doscher (1895) 147 N. Y. 647; Hubinger v. Eddy (1896) 74 Fed. 551; Lalancé & Grosjean Mfg. Co. v. National Enameling & Stamping Co. (1901) 109 Fed. 317; Collinsplatt v. Finlayson (1898) 88 Fed. 693; Sperry & Co. v. Percival Milling Co. (1889) 81 Cal. 252.

⁵⁹ Consolidated Fruit-Jar Co. v. Thomas (1879) 2 N. J. Law J. 272, Fed. Cas. No. 3,131.

⁶⁰ Drummond Tobacco Co. v. Addison Tinsley Tobacco Co. (1892) 52 Mo. App. 10.

⁶¹ Morse v. Worrell (1874) 10 Phila. (Pa.) 168.

⁶² Williams v. Brooks (1882) 50 Conn. 278.

In the case of *McLean v. Fleming*,⁶³ Justice Clifford, in delivering the opinion of the supreme court, said: "Argu-

⁶³ (1878) 96 U. S. 245.

"Expert Testimony. The question of what evidence is requisite to make out a case of infringement of a trade-mark is often a difficult one. This difficulty, however, arises in great measure from the fact that considerable confusion exists with reference to the fundamental basis of trade-mark law. If the idea of property in a trade-mark be admitted, and followed to its logical conclusion, no evidence in technical trade-mark cases should be required beyond proof of ownership of the particular trade-mark, and its use by the defendant. Generally this use can be seen by the court at a glance, and, if the trade-mark of the plaintiff is found upon defendant's goods, this wrongful use of the plaintiff's property should be enjoined without further inquiry. Many judges, however, have refused to act in this summary way, and have required proof, either of actual deception of plaintiff's customers, or the probability of deception. The latter inquiry, which is the usual one, opens the door to evidence of a most unsatisfactory character. It has been decided in some cases that experts might be called in, but the later, and possibly the better, rule, excludes such evidence. first, because all such evidence is the merest speculation and expression of opinion, and quite as many witnesses will be produced on one side as on the other; but the best reason for rejecting such evidence is given in a recent case, in which it was said that every one in such a case must give an opinion based upon the effect that the articles and marks of the contending parties may make upon their minds; and if the parties be of a standard of intelligence such as will justify them in speaking as experts, they are entirely unfit to testify with reference to the impressions the marks would make upon the minds of persons of ordinary and presumably less intelligence than themselves. This line of argument brings us, however, to the question of, 'How competent are the judges, who are presumed to be of more than ordinary intelligence, to pass upon these questions?' This only shows how utterly unsatisfactory this method of proof is, and how little reliance is to be placed upon it, or in fact upon the opinions of the judges, when based upon nothing more than their individual opinion of whether deception is likely or not." 26 Am. & Eng. Enc. Law (1st Ed.) 494-496.

In *Mitchell v. Henry*, 15 Ch. Div. 181, Cotton, L. J.: "In the present case, however, the question seems to me to be essentially a question for experts, for, when the goods are placed side by side,

ment to show that the name of the pills, as given in the trademark of the respondent, was of a character to mislead and

there is great difficulty in arriving at a conclusion whether the triple thread used by the defendants and the selvage altogether is not calculated to deceive. * * * But there is a conflict of testimony between the expert witnesses, and there is, so far as I am concerned, a difficulty in arriving at a satisfactory conclusion, and I think the better course is to let the motion stand to the hearing, and then, after cross-examination of the witnesses, and after hearing the evidence in court, the court can decide whether the defendants' goods are so manufactured as to be calculated to be passed off as the goods of the plaintiffs."

In *Radam v. Capital Microbe Destroyer Co.*, 81 Tex. 122, Collard, J.: "We doubt the propriety of taking the opinion of an expert in such a case. He was called on for his opinion as to whether persons of ordinary intelligence and care would be deceived by the trade-marks of the parties, or the packages and the trade-marks, into the belief that they were the same. We do not see how the evidence of an expert could aid the court in determining this question, or how there could be an expert in such a matter. What ordinary intelligence might think of facts before the eye, it seems to the writer, should be left to the judgment of ordinary intelligence, with at least as much confidence as to one calling himself an expert. Such evidence has, however, been admitted and approved. *Williams v. Brooks*, 50 Conn. 278, 47 Am. Rep. 642. * * * Identity of design might require an expert's testimony,—an expert in designs,—but that is not the question here. Expert testimony is resorted to for the purpose of informing the court or jury upon subjects not commonly understood; but where the nature of the inquiry appeals to the common understanding and ordinary intelligence of mankind, it would be improper to admit opinions of experts or other persons. *Shelley v. City of Austin*, 74 Tex. 612. This witness was not called as an expert, and his opinion was not admissible, nor would it have been, in our judgment, if he had been an expert. All the facts were before the court,—the trade-marks, the labels, the jugs, and the packages, as presented for sale in the market. It was his province to decide what impression would be made by them upon persons of ordinary intelligence and care. In such a case, an expert should not be allowed to decide for him. * * * All such testimony was inadmissible, and there was no error in rejecting it."

In *Re Jelley*, 51 Law J. Ch. 640, note, Jessel, M. R.: "You can

deceive, is scarcely necessary, as they are *idem sonans* in the usual pronounciation; nor can it be doubted that the form of the box containing the pills and the general appearance

always get as much evidence on one side as you can on the other. One set of experts say that the marks are alike, and the other set say they are not. One side say that they are practically indistinguishable in the stamping, and the other side say that, if the stamping is carefully and well done, they may be distinct; whereas, in practice, they are particularly well struck, and one must, therefore, have regard not merely to the theory on the subject."

In *Cook v. Starkweather*, 13 Abb. Pr. (N. S.; N. Y.) 392, Monell, J.: "Upon the trial, the devices of the respective parties were produced upon barrel heads branded and prepared as for sale. A considerable amount of testimony was taken as to the effect of the defendants' devices. Dealers in whiskey were examined who, upon inspection of the two devices, gave their opinions. The plaintiffs' witnesses stated their opinion to be that the public would, and the defendants that it would not, be misled or deceived by the defendants' devices, and that description of evidence may be said to have been fairly balanced. There is nothing much more difficult than to decide upon the kind of evidence which is proper in this class of cases. The best evidence, of course, would be instances of actual deception, but, if none such can be furnished, the opinions of witnesses, formed from a mere inspection of the genuine and the imitation, are of little weight. They may or may not be deceived, but they are wholly unable to do more than express an opinion as to the effect in the community, the force or correctness of which is not increased or strengthened by the peculiar business in which they are engaged. An expert can easily detect a counterfeit bank bill, but his opinion as to whether the public could detect it is not entitled to any more weight than the opinion of any other person."

In *Lee v. Haley*, 5 Ch. App. 155, Giffard, L. J.: "The first thing to be observed in cases of this description is that it would not be safe for any plaintiff to come into court until he could prove instances of persons having been actually deceived, for the court would have to try a hypothetical case, and a number of people would be brought forward by the defendant to say, and probably truly, that the thing done would never have deceived them, and, in their opinion, was not calculated to deceive. I think, therefore, that the plaintiffs were quite justified in waiting until they could collect a sufficient number of cases to prove to the court that the proceedings complained of actually do deceive the public."

of the wrapper which surrounded it, were calculated to have the same effect. Mention may also be made of the fact that the color of the label and the wax impression on the top of the box are well suited to divert the attention of the unsuspecting buyer from any critical examination of the prepared article. * * * Witnesses in great numbers were called by the complainant, who testified that the exhibits 'L' and 'K' of the respondent were calculated to deceive purchasers, and the reasons given by them in support of the conclusion are both persuasive and convincing." In this case, it appears that, while considerable weight was attached to the testimony of experts, yet the court was of opinion, from an inspection of the packages and comparison of the trade-marks themselves, that the defendant infringed the plaintiff's trade-mark.

§ 195. Other evidence may be required.

Where, in a trade-mark case, the defendant's goods, on the face of them, and explained by surrounding circumstances, are calculated to deceive, no evidence is required to prove the intention to deceive. The sound rule is that a man must be taken to have intended the reasonable and natural consequence of his acts, and no more is wanted. If, on the other hand, a mere comparison of the goods, explained by the surrounding circumstances, is not sufficient, then it is allowable to prove from other sources that what is or may be apparent innocence was really intended to deceive. There can be no better evidence of intention to deceive than that of the deceiver himself, and this evidence may be given with equal force by admission, oral or in writing, or by inference from conduct. If the intent to deceive be once established, it is but a short step, though it is a step, and not an inevitable one, to the conclusion that the intention has been fulfilled.

and that the goods are calculated to deceive.⁶⁴ Where the titles of two publications were sufficiently distinct to prevent the court declaring an infringement by mere inspection of the titles, it was held that such intention must be established, if at all, by extrinsic evidence.⁶⁵

§ 196. Intent to infringe unnecessary.

When infringement of a technical trade-mark or trade-name is shown, the intention of the infringer is immaterial, for the reason that infringement in such case is a violation of a property right, and the essence of the wrong lies in the injury to such right. Hence it is unnecessary to show an intention to infringe on the part of the defendant, and the right of recovery will not be affected by a showing that the infringement was innocent or accidental. This rule was emphatically stated by Lord Cairns and Lord O'Hagan in the case of *Singer Machine Manufacturers v. Wilson*,⁶⁶ as follows: Lord Cairns said: "I wish to state, in the most distinct manner, that, in my opinion, fraud is not necessary to be averred or proved in order to obtain protection for a trade-mark. * * * A man may take the trade-mark of another ignorantly, not knowing it was the trade-mark of the other; or he may take it in the belief, mistaken, but sincerely entertained, that in the manner in which he is taking it he is within the law, and doing nothing which the law forbids; or he may take it, knowing it is the trade-mark of his neighbor, and intending and desiring to injure his neighbor by so doing. But in all these cases it is the same act that is done, and in all these cases the injury to the plaintiff is just

⁶⁴ *Saxlehner v. Apollinaris* (1897) 66 Law J. Ch. Div. 538.

⁶⁵ *Duniway Pub. Co. v. Northwest Printing & Pub. Co.* (1884) 11 Or. 325.

⁶⁶ (1878) 3 App. Cas. 376, 47 Law J. Ch. 481, 38 Law T. (N. S.) 303, 26 Wkly. Rep. 664.

the same. The action of the court must depend upon the right of the plaintiff, and the injury done to that right." Lord O'Hagan said: "If a man has acquired legitimately a right to the property in an exclusive use of a name, it is of small account to him, should it be invaded, whether the invasion comes from a purpose to deceive, or from ignorance, or inadvertence, or an honest misconception of the relative rights of the parties, and the law ought not to permit, and will not permit, the continuance of the invasion, whatever may have been its origin."

In *Amoskeag Mfg. Co. v. Spear*⁶⁷ the court said: "Even where no fraud can be justly imputed, where the use of the name or style originated in mistake, and not in design, although the party may be exempted from damages and costs, the continuance of the use may be justly restrained, since it involves a violation of a right of property that, if persisted in with a knowledge of the fact, would be fraudulent." The right of the proprietor of a trade-mark to maintain an action for its violation does not depend, therefore, upon the infringer's intention to violate it. It is enough that an actual violation is shown. Such violation may have been innocent, or even accidental.

The circuit court of appeals for the second circuit has said: "Courts in such cases do not require proof of any peculiarly iniquitous, 'perfidious dealing.' If the representation as to what or whose the goods are is calculated to deceive the purchaser into buying them as the goods of the complain-

⁶⁷ (1849) 2 Sandf. (N. Y.) 599; *Dale v. Smithson* (1861) 12 Abb. Pr. (N. Y.) 237; *McLean v. Fleming* (1878) 96 U. S. 245; *Davis v. Kendall* (1850) 2 R. I. 566; *Siegert v. Abbott* (1893) 72 Hun (N. Y.) 243; *Dreydoppel v. Young* (1880) 14 Phila. (Pa.) 226; *Shaver v. Shaver* (1880) 54 Iowa, 208; *Sheppard v. Stuart* (1879) 13 Phila. (Pa.) 117; *Cuervo v. Landauer* (1894) 63 Fed. 1003; *Metcalf v. Brand* (1887) 86 Ky. 331; *Electro-Silicon Co. v. Hazard* (1883) 29 Hun (N. Y.) 369; *Colman v. Crump* (1877) 70 N. Y. 573.

ant, equity will enjoin its continuance, although the 'deceitful representation' was placed upon them carelessly, or from lack of appreciation of the meaning it would convey to the purchaser, or from an honest mistake as to defendant's right to use it."⁶⁸

§ 197. Immaterial that purchasing dealer not deceived.

The owner of a trade-mark will not be deprived of his remedy in equity, even if it be shown that all who bought goods bearing the mark from the defendant were well aware that the goods were not of the plaintiff's manufacture.⁶⁹ It frequently occurs that the dealer who purchases the goods from the manufacturer is aware of the fact that they bear an infringing or simulated trade-mark, and the dealer purchases the goods for the purpose of passing them off upon consumers as the genuine article. No man has a right to adopt and use a trade-mark, or an imitation thereof, such as will enable any dishonest trader into whose hands the goods may come to sell them as the goods manufactured by the proprietor of the original trade-mark.⁷⁰

In *Potter v. McPherson*⁷¹ it was said: "An injunction [restraining defendant from using plaintiffs' title of a publication] was properly issued if it appeared that persons desiring to purchase the plaintiffs' publication might well accept that of the defendant's, supposing and believing it to be the plaintiffs', even though persons engaged in the trade of buying the books with an intention to resell them might not be misled by the resemblance [in the titles], and though

⁶⁸ *Tarrant v. Hoff* (1896) 22 C. C. A. 644, 76 Fed. 959; *Braham v. Beachin* (1878) 7 Ch. Div. 848; *Messerole v. Tynberg* (1868) 4 Abb. Pr. (N. S.; N. Y.) 410; *Robinson v. Storm* (1899) 10 Tenn. 40.

⁶⁹ *Edelsten v. Edelsten* (1863) 1 De Gex, J. & S. 185.

⁷⁰ *Johnston v. Orr Ewing* (1882) 7 App. Cas. 219.

⁷¹ (1880) 21 Hun (N. Y.) 559.

the difference could be readily detected by comparison of one book with the other.”

In the English case of *Orr Ewing v. Johnston*⁷² it was held that, where a trader has a right to a trade-mark on goods sold in a foreign market, an injunction will be granted to restrain the export of goods under another trade-mark, which may deceive the ultimate purchasers, although it would not deceive Englishmen, or the dealers in the foreign market.

It was said by the Kentucky court of appeals: “There need not be *mala mens* towards the first purchaser of the imitation article. The simulation may enable him to retail it as the genuine article, but at a lower price, and thus injure the manufacturer and delude the public.”⁷³

One who puts into the hands of retail dealers an article made by him, and so dressed up as to enable such dealer to deceive the ultimate purchaser into the belief that he is purchasing the goods of a third person, may be enjoined by the latter, although the retail dealer is not deceived.⁷⁴ While a simulated trade-mark may not deceive the first purchaser from the manufacturer, if it is sufficient to mislead the subsequent retail purchaser, and if the article is sold at a less price than the genuine article, it will eventually, if not enjoined, interfere with the sales of the genuine article.⁷⁵ The law is intended to reach, and many authorities say that it does reach, not only those who themselves deceive, but also those who enable others to deceive, the purchasing public.⁷⁶ Even where the defendant stated, in selling the goods, that the trade-mark was an imitation, an injunction was granted, as subsequent dealers might not be equally frank.⁷⁷ The

⁷² (1880) 13 Ch. Div. 434.

⁷³ *Metcalf v. Brand* (1887) 86 Ky. 331.

⁷⁴ *Von Mumm v. Frash* (1893) 56 Fed. 830.

⁷⁵ *Collinsplatt v. Finlayson* (1898) 88 Fed. 693.

⁷⁶ *Saxlehner v. Apollinaris* (1897) 66 Law J. Ch. Div. 523.

⁷⁷ *Dixon Crucible Co. v. Guggenheim* (1869) 2 Brewst. (Pa.) 321.

controlling question is whether the manufacturer or wholesale dealer has knowingly put into the hands of the retail dealer the means of deceiving the ultimate purchaser.⁷⁸

§ 198. Infringement not excused by custom of trade.

No custom of other people, even in the same trade, can excuse one man for taking another's property without his consent. Thus, when the inventor and manufacturer of a new kind of atomizer put his own or his partner's name to it, it was held that the presumption was that he did so to indicate its origin and maker, and intended the name as a trade-mark. The excuse that defendant supposed the name was a merely descriptive one, which any one might use, and that there was a custom of the trade for dealers to borrow each other's cuts for advertising purposes, was of no avail. That defendants and some other dealers misunderstood the facts was not sufficient to excuse the violation of plaintiff's rights.⁷⁹

§ 199. Infringement by manufacturer of labels or brands.

A manufacturer of infringing labels or brands will be restrained at the instance of one whose trade-mark or label is imitated, even though such manufacturer does not apply the labels or brands to any goods. It is an infringement of the right of the proprietor of a trade-mark for any person "to print or manufacture, or put on the market for sale, and sell for use upon articles of merchandise of the same kind as those upon which it is used by the proprietor, any device or symbol which, by its resemblance to the established trade-mark, will be liable to deceive the public, and lead to the purchase and use of that which is not the manufacture of

⁷⁸ *N. K. Fairbank Co. v. Luckel, King & Cake Soap Co.* (1909) 102 Fed. 327.

⁷⁹ *Shaw v. Pilling* (1896) 175 Pa. 85.

the proprietor, believing it to be his."⁸⁰ While the mere act of printing and selling labels in imitation of those of another may be innocent, and, without evidence of an illicit purpose, will not be a violation of such other's rights, it is otherwise where this is done with the obvious purpose of enabling others, by the use of the labels, to palm off their goods upon the public as the goods of the proprietor of the genuine trade-mark.⁸¹ Where defendants procured cigar labels counterfeiting complainant's labels, and assembled these labels with cigar boxes, with the obvious purpose of enabling others, by the use of the labels, to palm off their goods upon the public as the goods of the complainant, it was held that complainant was clearly entitled to an injunction against all who knowingly combine together to accomplish that purpose.⁸²

§ 200. Refilling packages bearing genuine mark.

The refilling of packages of any kind bearing a trade-mark or label with the intention of permitting them to be palmed off on customers as containing the genuine article, or even without any such intention, if thereby a dealer is given power to so palm off the goods, constitutes an infringement of the rights of the proprietor of the trade-mark or label that will be restrained by injunction.⁸³ Where defendants used bar-

⁸⁰ *Colman v. Crump* (1877) 70 N. Y. 573.

⁸¹ *De Kuyper v. Witteman* (1885) 23 Fed. 871.

⁸² *Cuervo v. Henkell* (1892) 50 Fed. 471. See, also, *Farina v. Silverlock* (1855) 1 Kay & J. 509, (1856) 6 De Gex, M. & G. 214, (1858) Cox. Man. Trade-Mark Cas. No. 130; *Moxie Nerve Food Co. v. Beach* (1888) 33 Fed. 248; *Von Mumm v. Wittemann* (1898) 85 Fed. 966; *Hennessy v. Herrmann* (1898) 89 Fed. 669; *Hildreth v. Sparks Mfg. Co.* (1899) 99 Fed. 484; *Guinness v. Ullmer* (1847) 10 Law T. 127; *Cuervo v. Landauer* (1894) 63 Fed. 1003; *Carson v. Ury* (1889) 39 Fed. 777; *Dixon v. Fawcus* (1861) 30 Law J. Q. B. 137, 9 Wkly. Rep. 414.

⁸³ *Rose v. Henley* (1878) Cox, Man. Trade-Mark Cas. No. 551, cited 47 L. J. Ch. Div. 577, 38 Law T. (N. S.) 410; *Rose v. Leftus*

rels bearing complainant's label, which, after being sold by complainant, containing oil and emptied of their contents, were bought up by defendants, refilled with their oil, and sold, an injunction was granted. The court said: "This is a flagrantly fraudulent appropriation of the complainant's label and the goodwill attaching to it, to the manifest injury of the complainant and the public."⁸⁴

In *Eckhart v. Consolidated Milling Co.*⁸⁵ it appeared that the appellants delivered to their customers flour manufactured by them in bags bearing the brands and trade-marks of the appellee. Appellants explained their use of appellee's bags by stating that their principal customers were bakers, and that sometimes, by agreement with the bakers, appellants made a price on large quantities of appellants' flour in bulk, the bakers to furnish bags for delivery of the flour, and that, among the bags furnished by the bakers in accordance with such agreement, and in which the flour furnished was delivered, were bags marked or branded with the marks or brands of the appellee; that appellants also purchased from bakers second-hand jute bags, among which were bags marked with the brand of the appellee, and that they used all such bags for the purpose of delivering to such bakers flour sold to them in bulk by appellants, the object of such use of the bags furnished by the bakers and the second-hand jute bags furnished by appellants being that appellants might be able to sell their flour at a less price than they would if

(1878) Cox, Man. Trade-Mark Cas. No. 608, 47 Law J. Ch. Div. 576, 38 Law T. (N. S.) 409; *Barnett v. Leuchars* (1865) 13 Law T. (N. S.) 495, 14 Wkly. Rep. 166; *Hostetter v. Anderson* (1870) 1 Vict. R. 7, 1 Australian Jur. 4. Cox, Man. Trade-Mark Cas. No. 652; *Richards v. Williamson* (1874) 30 Law T. (N. S.) 746, 22 Wkly. Rep. 765. Cox, Man. Trade-Mark Cas. No. 441; *Evans v. Von Laer* (1887) 32 Fed. 153.

⁸⁴ *Scott v. Standard Oil Co.* (1894) 106 Ala. 475.

⁸⁵ (1897) 72 Ill. App. 70.

they furnished new bags. Appellants, in their answer, denied that the bakers or the public were deceived, or that appellee was in any way injured by their use of the bags, or that appellants intended, by such use, to deceive any one. The Illinois appellate court affirmed the order granting an injunction, and in doing so said: "To entitle a complainant to relief by injunction in a case like the present, it is not necessary to show that the public are or have been actually deceived. The remedy by injunction is preventive, and it is sufficient to show facts from which the court can deduce the conclusion that the complainant has reasonable ground to fear that the public and the complainant's customers may be deceived, to the injury of the complainant; that the use made by the defendant of the complainant's marks is calculated to deceive, and probably will deceive, the public, to the injury of the complainant. It is obvious that, after appellants delivered flour to their customers, the bakers, in bags marked and branded as before stated, appellants could not, in all cases, follow the bags, nor could they control the bakers in the disposition of their flour, nor could they have personal knowledge as to how the bakers disposed of it, or as to whether or not they sold it, or any of it, or exposed it for sale, in the bags in which it was delivered to them; or represented to their, the bakers', customers, that bread sold by them was made of flour of the brands marked on the bags, showing the bags. By delivering to the bakers their flour in bags marked as stated, they put in the power of the bakers to dispose of the flour as that of appellee."

Where defendant manufactured an article of bitters closely resembling Hostetter's Bitters in appearance and flavor, and sold the same in bulk to its customers, advising them, at the time of such sales, to refill bottles that originally contained Hostetter's Bitters with the spurious article, and to

put the bottles thus refilled on the market as containing genuine Hostetter's Bitters, an injunction was granted. Judge Thayer said: "Customers of defendant, who have thus been advised and induced to use genuine bottles and labels in the manner above mentioned, are clearly guilty of a wrongful act which a court of equity will enjoin; and a person who counsels and advises another to perpetrate a fraud, and who also furnishes him the means of consummating the same, is himself a wrongdoer, and, as such, is liable for the injury inflicted. * * * The defendant cannot shield itself from an injunction by the plea that it has not itself sold a spurious article in a false dress. The fact that it has advised its customers to perpetrate a fraud of that description, and that it has furnished them the spurious article, and that some of its customers have probably acted on the same suggestion, is sufficient to render them liable to an injunction."⁸⁶

§ 201. Sale of low-grade for high-grade goods of same manufacturer.

No person has a right to buy a low-grade article from a manufacturer or dealer, and sell it under a trade-mark or label used by that manufacturer for another or higher-grade article. To do this would be an infringement of the rights of the proprietor of the mark, as much as though the article had been manufactured by another. Thus, where a manufacturer used the mark "Le Page's Liquid Glue" for its highest quality glue, and "Le Page's Fish-Head Glue" for a lower grade or quality glue, it was held an infringement for a pur-

⁸⁶ Hostetter v. Brueggeman-Reinert Distilling Co. (1891) 46 Fed. 188. See, also, Hostetter v. Becker (1896) 73 Fed. 297; Hostetter v. Sommers (1897) 84 Fed. 333; Hostetter v. Comerford (1899) 97 Fed. 585; Hostetter v. Bower (1896) 74 Fed. 235; Myers v. Theller (1889) 38 Fed. 607. But see Welch v. Knott (1857) 4 Kay & J. 747; 4 Jur. (N. S.) 330; Hostetter v. Van Vorst (1894) 62 Fed. 600. (354)

chaser of the "Fish-Head Glue" to sell it in bottles bearing the mark "Le Page's Liquid Glue."⁸⁷

Where the plaintiff, a penmaker, sold his pens in boxes labeled, respectively, with the numbers "303" and "753," the former denoting the superior quality, and the defendant removed the "753" labels from the inferior pens, and substituted therefor labels imitated from the "303" labels, and with the number "303," an injunction was granted to restrain defendant from so doing.⁸⁸

§ 202. Infringing use must be on same class of goods.

It has been said that one may stamp his cloth with the same mark or sign that another has acquired the exclusive right to use on his manufacture of iron.⁸⁹ In order to constitute an infringement, the use must be on the same class of goods, though it is not necessary that the proprietor of the trade-mark shall have used it on the same species of goods in the class.⁹⁰ Thus, where the firm of Collins & Co. had, from prior to 1834, made edge tools, and marked them "Collins & Co.," and from 1843 the successor of the firm, a cor-

⁸⁷ *Russia Cement Co. v. Katzenstein* (1901) 109 Fed. 314.

⁸⁸ *Gillott v. Kettle* (1854) 3 Duer (N. Y.) 624. See, also, *Hennessy v. White*, 6 Wyatt, W. & A'B. Eq. 216, Cox, Man. Trade-Mark Cas. No. 650; *Hennessy v. Hogan*, 6 Wyatt, W. & A'B. Eq. 225, Cox, Man. Trade-Mark Cas. No. 651; *Krauss v. Peebles*, 58 Fed. 585.

⁸⁹ *Miller Tobacco Manufactory v. Commerce* (1883) 45 N. J. Law, 18; *Ainsworth v. Walmsley* (1866) 35 Law J. Ch. 352, L. R. 1 Eq. 518.

⁹⁰ *Wamsutta Mills v. Allen* (1878) 12 Phila. (Pa.) 535; *Corwin v. Daly* (1860) 7 Bosw. (N. Y.) 222; *La Societe Anonyme des Mines v. Baxter* (1877) 14 Blatchf. 261, 14 Fed. Cas. No. 8,099; *Sheppard v. Stuart* (1879) 13 Phila. (Pa.) 117; *Amoskeag Mfg. Co. v. Garner* (1876) 4 Am. Law T. (N. S.) 176, 54 How. Pr. (N. Y.) 298; *Osgood v. Rockwood* (1873) 11 Blatchf. 310, Fed. Cas. No. 10,605; *Smith v. Reynolds* (1872) 10 Blatchf. 100, Fed. Cas. No. 13,098, (1876) 13 Blatchf. 458, Fed. Cas. No. 13,099; *Hecht v. Porter* (1882) 9 Pac. Coast Law J. 569; *Celluloid Mfg. Co. v. Read* (1891) 47 Fed. 712.

poration, had the right to make all articles of metal, and had gone on from that time extending its manufacture beyond edge tools, into digging tools, such as picks and hoes, and having always put the mark "Collins & Co." on its best quality of articles, it was held that the fact that it did not, before 1856, make a digging tool, such as shovels, on which, in 1856, Ames & Sons put the mark "Collins & Co.," did not warrant the conclusion that that mark was not, in 1856, the mark of the plaintiff company's trade in respect to shovels.⁹¹

In a case in the United States circuit court for the district of New Jersey, Judge Bradford held that pale ale and half and half must, as against an infringer of a trade-mark for the former, be treated as malt liquors substantially similar to each other, and belonging to the same class. The court said: "Courts should not be astute to recognize in favor of an [trade-mark] infringer fine distinctions between different articles of merchandise of the same general nature, and should resolve against the wrongdoer any fair doubt whether the public may or may not be deceived through the application of the spurious symbol."⁹² It has also been held that a trade-mark for baking soda and saleratus is infringed by the use of the same mark on baking powder,⁹³ and that a trade-mark, "Lone Jack," for smoking tobacco, is infringed by the use of the same mark for cigarettes.⁹⁴

§ 203. Infringement not avoided by use of infringer's name.

Where a trade-mark is imitated or wrongfully appropriated, infringement is not avoided by substituting for the name or name and address of the original proprietor the name or name and address of the infringer. This is espe-

⁹¹ Collins v. Oliver Ames & Sons Corp. (1882) 18 Fed. 561.

⁹² Bass v. Feigenspan (1899) 96 Fed. 206.

⁹³ Church v. Russ (1900) 99 Fed. 276.

⁹⁴ Carroll v. Ertheiler (1880) 1 Fed. 688.

cially true when the trade-mark consists of a word by which the genuine article has become known in the market.⁹⁵

In a leading case decided by the United States supreme court it was said: "Holt & Co., then, having acquired the exclusive right to the words 'La Favorita' as applied to this particular vendible commodity, it is no answer to their action to say that there was no invasion of that right because the name of S. O. Ryder [a retired member of the firm] accompanied the brand upon flour sold by appellants' instead of the name of Holt & Co. That is an aggravation, and not a justification, for it is openly trading in the name of another upon the reputation acquired by the device of the true proprietor."⁹⁶

The supreme court of Pennsylvania has also said: "The use of the defendant's name on a spurious trade-mark is no defense to a bill for an injunction to prevent a piracy. * * * It is a circumstance, and nothing more, to be considered in connection with the whole appearance of the trade-mark to determine whether it is an imitation."⁹⁷

In a case decided by Judge Blodgett, the use of an infringer's name in connection with a pirated trade-mark is thus discussed: "In regard to the last point made, that, by reason of the defendants using their own name upon the wrapper or envelope, the public are not deceived, it would perhaps be enough to say that, when goods acquire a specific name, the purchaser rarely looks to see who has manufac-

⁹⁵ Boardman v. Meriden Britannia Co. (1868) 35 Conn. 402; Gilloitt v. Esterbrook (1867) 47 Barb. (N. Y.) 455; Coats v. Holbrook (1845) 2 Sandf. Ch. (N. Y.) 586; Carroll v. Ertheiler (1880) 1 Fed. 688; Hegeman & Co. v. O'Byrne (1880) 9 Daly (N. Y.) 264; Hier v. Abrahams (1880) 82 N. Y. 519; Lever v. Goodwin (1887) 36 Ch. D'v. 1; Battle v. Finlay (1891) 45 Fed. 796; Dixon Crucible Co. v. Guggenheim (1870) 7 Phila. (Pa.) 416.

⁹⁶ Menendez v. Holt (1888) 128 U. S. 514.

⁹⁷ Pratt's Appeal (1888) 117 Pa. 401.

tured the goods by that name; as, for instance, if, as a matter of fact, these needles have acquired among the trade, and among customers or users, the designation of 'Parabola,' to such an extent that the purchaser would simply ask for 'Parabola needles,' he might be supplied with the Parabola needles manufactured by Clark & Sons, instead of those manufactured by the complainant, to the direct injury of the complainant and the abridging of his trade."⁹⁸ It has also been held that it is no defense to a suit for infringement of the trade-mark "Cottolene" by the use of the word "Cottoleo" that defendant sold under his own name, and made no attempt, other than by the use of the word "Cottoleo," to sell his goods as if manufactured by plaintiff.⁹⁹

§ 204. Infringement not avoided by change of accessories.

No one can avoid the charge of infringement of an established trade-mark by showing that he so changed the accessories of the mark as to make it unlikely that any one will be deceived by his use of the counterfeit mark. The rule applicable to these cases has been well stated by Judge Bradford, as follows: "No one who has counterfeited a legitimate trade-mark, and applied the spurious symbol in competition with the genuine, can avoid the charge of infringement by showing that the false mark has in practice been so accompanied, on labels, capsules, or otherwise, by trade-names, designations, descriptions, or other accessories, not forming part of it, as to render it unlikely that the public has been deceived. Such a showing, while it may affect the nature or measure of the relief to be granted, cannot defeat a suit for infringement. The lawful appropriator and em-

⁹⁸ *Roberts v. Sheldon* (1879) 8 Biss. 398, Fed. Cas. No. 11,916.

⁹⁹ *N. K. Fairbank Co. v. Central Lard Co.* (1894) 64 Fed. 133. See, also, *Leonard v. White's Golden Lubricator Co.* (1889) 38 Fed. 922.

ployer of a trade-mark has an exclusive right of use, and is entitled to be effectually secured in the full enjoyment of that right. If other persons are to be permitted to violate that exclusive right, on the plea that the counterfeit symbol, as applied in a given case, has such accessories as to render deception of purchasers improbable or even impossible, an element of uncertainty and confusion will be introduced which cannot fail to encourage fraud and promote litigation. A sound public policy requires that the spurious trade-mark be suppressed, whether it is or is not for the time being accompanied by such accessories, not constituting part of it, as to avoid deception or render it unlikely. He who applies the false mark has no just cause of complaint if he be prevented from further violating the exclusive right of the lawful employer of the genuine symbol, and he certainly should not be allowed, at the peril of the latter, fraudulently to experiment in the use of such false mark with accessories of varying character, with the double purpose of filching the custom of a business rival, and at the same time shielding himself from the consequences of infringement."¹⁰⁰ In *Hier v. Abrahams* the court said: "The goods become known by the name or word by which they have been distinguished, and not merely by the manner or fashion in which the word is written or printed, or the accessories surrounding it, and the unlawful use of the name or word in any form may be restrained."¹⁰¹ Where the dominating characteristic of a trade-mark is a name by which the manufacturer's goods have become familiarly known to the public, another manufacturer has no right to designate his goods by that name, even though he accompanies it with a different device.¹⁰² The fact that the defendant uses other words in connection

¹⁰⁰ *Bass v. Feigenspan* (1899) 96 Fed. 206.

¹⁰¹ (1880) 82 N. Y. 519.

¹⁰² *Carroll v. Ertheiler* (1880) 1 Fed. 688.

with plaintiff's trade-mark does not give the defendant the right to use such trade-mark.¹⁰³ Thus, where plaintiff and defendant were manufacturers of liquid glue, and the defendant, whose name was "Le Page," used the same name as that used by plaintiff to describe his glue, and by which to advertise it, except that defendant introduced therein the word "Improved," it was held that the introduction of this word into the name of the article did not justify its use if, in other respects, the plaintiff had just grounds to object to it.¹⁰⁴ As "Charter Oak" stoves were not conspicuously known by the particular device which surrounded the name upon them, but by the name itself, it was held that the use of the name "Charter Oak," separated from other parts of the trade-mark, amounted to an infringement of the maker's rights.¹⁰⁵

§ 205. Instances of infringement.

In the following instances the courts have held that the trade-marks specified were infringed. In some cases, an imitation of the accessories has contributed to the decision against the infringer. It is necessary, therefore, to examine each case in order to determine the circumstances of the infringement. The word "Apollinaris," used with the representation of an anchor, was held infringed by the word "Apollinis," used with the representation of a bow and arrow or anchor.¹⁰⁶ "Bovilene" was held to be infringed by "Bovina," where the two labels were so alike in respect to form, color, words, and symbols as to make it manifest that the design of the defendants was to deceive, the resemblance

¹⁰³ *Rillet v. Carlier* (1870) 61 Barb. (N. Y.) 435.

¹⁰⁴ *Russia Cement Co. v. Le Page* (1888) 147 Mass. 206.

¹⁰⁵ *Filley v. Fassett* (1869) 44 Mo. 168.

¹⁰⁶ *Apollinaris Brunnen v. Somborn* (1878) 14 Blatchf. 380, Fed Cas. No. 496.

being such as would impose upon ordinary purchasers.¹⁰⁷ The word "Cocoaine" was held infringed by "Cocoine," although there was little similarity between the labels.¹⁰⁸ When the plaintiff used the representation of an anchor on the metal labels attached to each bundle of wire sent into market, so that the wire became known as "Anchor Brand Wire," a representation of a crown and anchor on the metal labels of defendant's wire was held an infringement.¹⁰⁹ The words "Black Diamond" were held infringed by "Diamond Gem," although the court said: "While, if this case stood alone, there might be some doubt about it, as a part of the scheme of these defendants to pirate the more valuable brands of the complainant, if an injunction is issued against the use of the other names, I think this should be included."¹¹⁰ Where medicinal and surgical plasters had long been put up in packages bearing a red Greek cross, so that they had become known and asked for as "Red Cross Plasters," it was held that the use by another of a Greek cross, of somewhat different form, with a large red circle in the center, was an infringement, though bearing on its face letters and marks not on the other, and though there was little resemblance in the packages and other *indicia*.¹¹¹ The word "Shawknit," printed in script with flourish underneath, was held infringed by "Seamless," printed in same script, with same flourish, both words being used in same relative position.¹¹² The words "Warren Hose Supporter," in connection with a cut of a hose supporter engaged with a stocking, were held infringed by the words "Warranted Hose Sup-

¹⁰⁷ Lockwood v. Bostwick (1869) 2 Daly (N. Y.) 521.

¹⁰⁸ Burnett v. Phalon (1862) 9 Bosw. (N. Y.) 192.

¹⁰⁹ Edelsten v. Edelsten (1863) 1 De Gex, J. & S. 185.

¹¹⁰ A. F. Pike Mfg. Co. v. Cleveland Stone Co. (1888) 35 Fed. 896.

¹¹¹ Johnson v. Bauer (1897) 27 C. C. A. 374, 82 Fed. 662.

¹¹² Shaw Stocking Co. v. Mack (1882) 12 Fed. 707.

porter," in connection with a similar cut.¹¹³ The words "Carlsbad Sprudel Salts" used on the product of the Carlsbad Springs were held infringed by "Improved Effervescent Carlsbad Powder" on an artificial product.¹¹⁴ The words "Sunlight Self-Washer" as a trade-mark for soap were held infringed by "Goodwin's Self-Washing," where there was a marked similarity in the paper and the printing thereon used for the packages containing the soap.¹¹⁵ The words "Le Page's Glue" were held infringed by "Glue made by Le Page" or "Glue made by the Le Page Company."¹¹⁶ The coined word "Mojaja" was held infringed by "Mojava."¹¹⁷ "Sunlight" as a trade-mark for soap was held infringed by "American Sunlight."¹¹⁸ "Germca," as a trade-mark for a cereal food, was held infringed by "Germ."¹¹⁹ The title, "The National Police Gazette," for a periodical, was held infringed by "The United States Police Gazette."¹²⁰ "Gold Dust," for a washing powder, was held infringed by "Gold Drop," although the court said the question was a close one.¹²¹ "Maizena," applied to a preparation of corn for food, was held infringed by "Maizharina," applied to a similar article.¹²² "Celluloid" was held infringed by "Cellonite."¹²³ Where the word "Star" and the symbol of a star had been used for many years as a trade-mark for shirts, waists, un-

¹¹³ *Frost v. Rindskopf* (1890) 42 Fed. 408.

¹¹⁴ *City of Carlsbad v. Kutnow* (1895) 18 C. C. A. 24, 71 Fed. 167.

¹¹⁵ *Lever v. Goodwin* (1887) 36 Ch. Div. 1.

¹¹⁶ *Le Page Co. v. Russia Cement Co.* (1892) 2 C. C. A. 555, 51 Fed. 941.

¹¹⁷ *American Grocery Co. v. Sloan* (1895) 68 Fed. 539.

¹¹⁸ *Lever Bros. v. Pasfield* (1898) 88 Fed. 484.

¹¹⁹ *Sperry v. Percival Milling Co.* (1889) 81 Cal. 252.

¹²⁰ *Matsell v. Flanagan* (1867) 2 Abb. Pr. (N. S.; N. Y.) 459.

¹²¹ *N. K. Fairbank Co. v. Luckel, King & Cake Soap Co.* (1900) 41 C. C. A. 376, 102 Fed. 327.

¹²² *Glen Cove Mfg. Co. v. Ludeling* (1885) 22 Fed. 823.

¹²³ *Celluloid Mfg. Co. v. Cellonite Mfg. Co.* (1887) 32 Fed. 94.

derwear, and furnishing goods, so that the articles had become known in the market as "Star" goods, it was held an infringement for another dealer to use a star and crescent, the star being made so prominent that such goods might also be designated as "Star" goods.¹²⁴ The words "Cashmere Boquet" as a trade-mark for soap were held infringed by the words "Violets of Cashmere," applied to another soap.¹²⁵ The words "Vitae-Ore," and the abbreviation "V-O," applied to a medicinal preparation, were held infringed by the words "Vitalizing Ore," also applied to a medicinal preparation.¹²⁶ The word "Chatterbox" upon a series of books was held infringed by "Chatter-Book" upon a similar series of books.¹²⁷ The word "Home" as a trade-mark for sewing-machines was held infringed by "Home Delight," applied in a similar way to another make of sewing-machines.¹²⁸ The word "Cuticura" as a trade-mark for a toilet soap was held infringed by the word "Curative," applied to another soap with lettering and arrangement producing a deceptive resemblance to the original mark.¹²⁹ The words "German Sweet Chocolate" were held infringed by "Germania Sweet Chocolate."¹³⁰ The word "Unceda," applied as a trade-mark to biscuit, was held infringed by "Iwanta," applied to a similar article, put up in a similar package.¹³¹ The words "Electro-Silicon," applied to a polishing powder, were held infringed by "Electric Silicon," applied to a powder for the

¹²⁴ *Hutchinson v. Blumberg* (1892) 51 Fed. 829; *Hutchinson v. Covert* (1892) 51 Fed. 832.

¹²⁵ *Colgate v. Adams* (1898) 88 Fed. 899.

¹²⁶ *Noel v. Ellis* (1896) 89 Fed. 978.

¹²⁷ *Estes v. Leslie* (1886) 29 Fed. 91.

¹²⁸ *New Home Sewing Machine Co. v. Bloomingdale* (1893) 59 Fed. 284.

¹²⁹ *Potter Drug & Chemical Corp. v. Miller* (1896) 75 Fed. 656.

¹³⁰ *Walter Baker & Co. v. Baker* (1896) 77 Fed. 181.

¹³¹ *National Biscuit Co. v. Baker* (1899) 95 Fed. 135.

same purpose, put up in similar packages.¹³² Where plaintiff had for many years made tobacco, to each plug of which it attached six five-pointed stars, made of tin, with a hole in the center, and where, after plaintiff's tobacco had become known as the "Star" brand, defendant put on the market a "Buzz-Saw" tobacco, to which it attached a tin symbol of the same size as the plaintiff's, with eight points, slightly inclined to the right, a hole in the center, and the word "Buzz" dimly impressed thereon, it was held that the "Buzz-Saw" symbol was an infringement of plaintiff's trade-mark, and that its use should be enjoined.¹³³ The trade-mark "Moxie" in the combination "Moxie Nerve Food" was held infringed by a similar use of the word "Noxie."¹³⁴ The word "Sanitas," applied as a trade-mark to certain disinfectants, was held infringed by the phrase "Condi-Sanitas," and an injunction was granted against the use of the word "Sanitas" alone or in this combination.¹³⁵

Where plaintiff and his predecessors had long used upon their whiskey barrels a trade-mark consisting of a chicken cock standing upright within a circle, surrounded by the words "Old Bourbon Whiskey, Bourbon, Ky.," and below the picture the words "From J. A. Miller, Paris," and this brand had, for over thirty years, been known to the trade as "Miller's Chicken Cock Whiskey," or "Chicken Cock Whiskey," and defendants, doing business in Boston, adopted a like picture, including the circle, their brand being called "Miller's Game Cock Rye," the words "The King of All Whiskies," "John Miller & Co., Sole Proprietors, Boston, Mass.," being upon the brand, it was held that defendants had infringed,

¹³² *Electro-Silicon Co. v. Trask* (1880) 59 How. Pr. (N. Y.) 189.

¹³³ *Liggett & Myers Tobacco Co. v. Sam. Reid Tobacco Co.* (1890) 104 Mo. 56.

¹³⁴ *Moxie Nerve Food Co. v. Beach* (1888) 33 Fed. 248.

¹³⁵ *Sanitas Co. v. Coudy* (1886) 56 Law T. (N. S.) 621.

and that it was immaterial that defendants used the device on barrels and bottles, while the plaintiff had theretofore used it only on bottles, and that it was further immaterial that defendants' whiskey is a blended whiskey, having but one stamp, while plaintiff's is a "straight" whiskey, having two stamps.¹³⁶ The use, to designate a medicinal preparation, of the phrase "Improved Fig Syrup" on bottles, wrappers, and devices resembling in general appearance a similar preparation manufactured and sold under the name of "Syrup of Figs," was held calculated to deceive and mislead the public, and an injunction was granted.¹³⁷ Where it appeared that the plaintiff, a manufacturer of matches, put up and sold its goods in boxes, each having a label attached thereto, which label had been adopted by plaintiff in 1883 as a trade-mark, and used continuously since that time, and where, upon the label, was printed or stamped in red colors "The Vulcan," under this the words "Damp Proof," and under these words a globe, on each side of which was the representation of medals that had been awarded to plaintiff, and where defendants sold matches put up in boxes identical in size and general appearance with those of plaintiff, each having a label printed or stamped in red, and with letters of the same size, and upon this label were the words "The Vulture," the picture of a vulture, and a fac-simile of the plaintiff's medals, it was held that there was an infringement, that defendants' label was an imitation of plaintiff's trade-mark sufficiently close to be liable to deceive, and that an injunction was properly awarded.¹³⁸ A label containing the words "Non-Secret Dental Vulcanite, made according to

¹³⁶ G. G. White Co. v. Miller (1892) 50 Fed. 277.

¹³⁷ Improved Fig Syrup Co. v. California Fig Syrup Co. (1893) 54 Fed. 175.

¹³⁸ Taendsticksfabriks Aktiebolagta Vulcan v. Myers (1893) 139 N. Y. 364.

our analysis of the Akron Dental Rubber," the last three words being printed in a differently colored ink from the rest of the label, with large type, and conspicuously displayed, was held to be an infringement of a trade-mark containing the words "The Akron Dental Rubber." In this instance, on defendant's label the words "Akron Dental Rubber" were printed in red ink in large type, and the words were prominently displayed, so as to readily and quickly catch the eye.¹³⁹

The following trade-names have been held infringed by the words stated, under the circumstances in which they were used: "New York Cab Co., Limited," by "New York Cab, Ltd.";¹⁴⁰ "Tuerk Water Motor Company" by "The Tuerk Water Meter Company";¹⁴¹ "Mechanics' Store" by "Mechanical Store";¹⁴² "United States Dental Association" by "U. S. Dental Rooms."¹⁴³

§ 206. Instances of non-infringement.

The following are instances in which the courts have held that there was no infringement of the trade-mark made the basis of the action: The use of the word "Cotosuet" as a trade-mark was held not to be an infringement of the trade-mark "Cottolene."¹⁴⁴ While "No-To-Bac" is an arbitrary term, which may be appropriated as a trade-mark for a medicine designed to cure the tobacco habit, it has been held not to be infringed by "Baco-Curo," used with a similar medi-

¹³⁹ Keller v. B. F. Goodrich Co. (1888) 117 Ind. 556.

¹⁴⁰ New York Cab Co. v. Mooney (1884) 15 Abb. N. C. (N. Y.) 152.

¹⁴¹ Tuerk Hydraulic Power Co. v. Tuerk (1895) 92 Hun (N. Y.) 65.

¹⁴² Weinstock. Lubin & Co. v. Marks (1895) 109 Cal. 529.

¹⁴³ Cady v. Schultz (1895) 19 R. I. 193.

¹⁴⁴ N. K. Fairbank Co. v. Swift & Co. (1896) 64 Ill. App. 477.

cine.¹⁴⁵ A rhombus, or lozenge, or conventional diamond figure, used upon packages of goods, so as to become a trade-mark therefor, is not infringed by the representation of a radiant, rough diamond, presenting a striking dissimilarity to the conventional figure.¹⁴⁶ The phrases "Oriole Vermillion" and "Peerless Green" were held not infringed by the terms "O. Vermillion" and "P. Green."¹⁴⁷ A small blue label for packages of laundry soap, bearing the words "Old Country," was held not infringed by the use of a label having on it the national colors of the United States, with the words "Our Country."¹⁴⁸ A trade-mark used on shoes, and consisting of the words "Steel Shod," in connection with a symbol, is not infringed by the words "Steel Clad" alone, stamped on shoes having the soles quilted with steel wires.¹⁴⁹ The term "Grape-Nuts," applied to a cooked cereal food product, was held not infringed by the term "Grain-Hearts," applied to a like preparation.¹⁵⁰ The terms "Tempest" and "Hurricane," applied to lanterns, are not so similar as to warrant the conclusion that the public is liable to be misled into believing that the lamps are of the same manufacture.¹⁵¹ Where plaintiff recorded "IXL General Merchandise Auction Store" as a trade-mark, and used the same as a sign over his place of business, and defendant afterwards

¹⁴⁵ *Sterling Remedy Co. v. Eureka Chemical & Mfg. Co.* (1897) 80 Fed. 105.

¹⁴⁶ *Pittsburgh Crushed Steel Co. v. Diamond Steel Co.* (1898) 85 Fed. 637; *Kann v. Diamond Steel Co.* (1898) 89 Fed. 707.

¹⁴⁷ *Lavanburg v. Pfeiffer* (1898) 23 Misc. Rep. (N. Y.) 577.

¹⁴⁸ *Allen B. Wrisley Co. v. Geo. E. Rouse Soap Co.* (1898) 87 Fed. 589.

¹⁴⁹ *Brennan v. Emery-Bird-Thayer Dry-Goods Co.* (1900) 99 Fed. 971.

¹⁵⁰ *Postum Cereal Co. v. American Health Food Co.* (1901) 109 Fed. 893.

¹⁵¹ *Hurricane Patent Lantern Co. v. Miller* (1878) 56 How. Pr. (N. Y.) 234.

used "Great IXL Auction Company" as a sign over his store, it was held that the court would not suppose the latter an infringement of plaintiff's trade-mark.¹⁵² The appropriation as a trade-mark of the word "Samaritan" in one combination of words does not prevent its being used in all other combinations.¹⁵³ The name "The New Northwest" for a weekly newspaper was held to be a trade-mark. Defendant used the name "The Northwest News" for a similar paper. The court said: "It is clear that the titles are sufficiently distinct to prevent the court declaring an infringement by mere inspection of the titles. It must be established, if at all, by extrinsic evidence. But the facts set out in the complaint and affidavits and exhibits do not show any loss of trade. Inconveniences and annoyances from mistakes in the names of the two papers constitute no ground for an injunction. There must be actual injury to the sale of plaintiff's paper."¹⁵⁴ A person cannot, by coining the word "Puddine," and registering it, prevent other makers of pudding from calling their goods by their well-known English name, "Pudding."¹⁵⁵ The name "Cuticura Soap" is not infringed by the name "Cuticle Soap."¹⁵⁶ The court in this case said: "The words are, to a considerable degree, unlike to the eye, unlike to the ear, unlike in spelling, unlike in meaning, and unlike in suggestion." Where plaintiff used the words "Adams Sappota Tolu" for chewing gum, and had registered these words as a trade-mark in the patent office, designating the word "Sappota" as the essential feature, it was held that

¹⁵² *Lichtenstein v. Mellis* (1880) 8 Or. 464.

¹⁵³ *Desmond's Appeal* (1883) 103 Pa. 126, Am. Trade-Mark Cas. 794.

¹⁵⁴ *Duniway Pub. Co. v. Northwest Printing & Pub. Co.* (1884) 11 Or. 322.

¹⁵⁵ *Clotworthy v. Schepp* (1890) 42 Fed. 62.

¹⁵⁶ *Potter Drug & Chemical Corp. v. Pasfield Soap Co.* (1900) 102 Fed. 490.

the term "Heisel's Elastic Tolu" was not an infringement.¹⁵⁷ Where complainant was the first to use a tin star upon plug tobacco, but not the first to use the design of a star generally, and complainant and defendant both used stars upon such tobacco, but the two stars were, as said by the United States supreme court, "so different in form and surroundings that it would not be possible for any person, not afflicted with color blindness, to mistake the one for the other," there was no infringement of complainant's trade-mark.¹⁵⁸ The title "The Good Things of Life," for a publication, was held not infringed by the title "The Spice of Life." for a publication of a somewhat similar character.¹⁵⁹ It has been held that the name "B. T. Butler's," preceding the words "Trade-Mark—Best Soap," upon cakes of soap and their wrappers, is not so similar to the name "B. T. Babbitt's," preceding the same words, as to call for the restraint of its use as an infringement of a trade-mark, in the absence of proof that any one had been deceived thereby, and where the form and size of the cakes of soap differ.¹⁶⁰ It has also been held that the phrase "One Night Cure," used as a trade-mark for a cough remedy and for a corn remedy, is not infringed by the use of the words "Beeshore's One Night Cough Cure."¹⁶¹ The use by defendants of their own firm initials, "B. & S.," upon articles sold by them, was held not to be an infringement of a registered trade-mark consisting of the letters "S. B."¹⁶² A label upon which appeared, on a white background, in red and white letters, an advertisement of "Elastic Starch," made by H. Co., with a large and prominent cut of a flatiron, used

¹⁵⁷ Adams v. Heisel (1887) 31 Fed. 279.

¹⁵⁸ Liggett & Myers Tobacco Co. v. Finzer (1888) 128 U. S. 182.

¹⁵⁹ Stokes v. Allen (1890) 56 Hun (N. Y.) 526.

¹⁶⁰ Babbitt v. Brown (1893) 58 Hun (N. Y.) 515.

¹⁶¹ Kohler Mfg. Co. v. Beeshore (1893) 59 Fed. 572.

¹⁶² Burt v. Smith (1895) 71 Fed. 161.

as a trade-mark for starch, was held not to be infringed by another label, used as a trade-mark for starch, bearing on a red background, in white, yellow, and black letters, an advertisement of "E.'s New Process Starch," with a picture of a colored woman holding up prominently a freshly ironed shirt, underneath which, on a table, appeared a flatiron.¹⁰³

¹⁰³ J. C. Hubinger Bros. Co. v. Eddy (1896) 74 Fed. 551.

CHAPTER X.

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- 284. Simmons' Liver Medicine Case.
- 285. Awl Package Case.

§ 207. In General.

In earlier chapters, incidental reference was made to what has come to be known as the law of unfair competition. Within recent years the courts have worked out a set of rules by which persons who have no technical trade-marks are nevertheless protected in the use of personal and descriptive names, marks, labels, forms of packages and wrappers, and other such insignia which have become associated with their business or products. The right to free and unrestricted competition is freely admitted, but such competition, to be legal, must be honest, and the courts will not countenance fraud or dishonesty under the guise of business competition. The rules which have become established for the determination of such questions enforce a strict code of business morality, and are highly honorable

to the courts by which they have been developed. As said by a learned judge: "The gradual but progressive judicial development of the doctrine of unfair competition in trade has shed luster on that branch of our jurisprudence as an embodiment, to a marked degree, of the principles of high business morality, involving the nicest discrimination between those things which may and those which may not be done in the course of honorable rivalry in business."¹ This branch of the law is still growing, and the tendency is to restrict the scope of the law of technical trade-marks, and to extend that which covers unfair competition.² The course of the decisions marks a distinct tendency towards the protection of persons in legitimate business enterprises from the inroads of dishonest competitors, and it is now thoroughly settled that a court of equity will enjoin those who, through unfair competition, seek to deprive others of the legitimate results of their skill and enterprise, irrespective of any question of trade-mark. Hence, rival manufacturers may not, by imitative devices, beguile the public into buying their goods under the impression that they are buying those of their rivals.³

§ 208. Distinguished from Technical Trade-Marks.

The office of a trade-mark is to point out distinctively the origin or ownership of the article to which it is affixed. The essential elements of a technical trade-mark have already been considered, and need not be here restated.⁴ If a party

¹ *Dennison Mfg. Co. v. Thomas Mfg. Co.* (1899) 94 Fed. 651.

² See *Church v. Russ* (1900) 99 Fed. 276; *Pillsbury-Washburn Flour Mills Co. v. Eagle* (1898) 30 C. C. A. 386, 86 Fed. 608.

³ *California Fig-Syrup Co. v. Worden* (1899) 95 Fed. 132; *Croft v. Day* (1843) 7 Beav. 84; *Lawrence Mfg. Co. v. Tennessee Mfg. Co.* (1891) 138 U. S. 537; *Samuels v. Spitzer* (1900) 177 Mass. 26.

⁴ Chapter 1.

has such a trade-mark, the law will protect him in its use; but even when no technical trade-mark exists, the user of a name, mark, label, or other device which is of value to him will be protected from attack by the piratical craft which infest the seas of modern business. In a recent case in New York the distinction between the infringement of a technical trade-mark and unfair competition was thus stated: "In a general way," said the court,⁵ "the infringement of a trade-mark, so far as applicable to this case, may be said to be the improper use by the defendant of the emblems constituting the trade-mark of the plaintiff, whether upon packages of cachous of the same general appearance or not; while unfair competition in trade may be said to be the simulation by defendant of the packages of plaintiff,—putting up and selling packages of the same general appearance as those of the plaintiff. In this case the question as to unfair competition was whether the defendant was fraudulently attempting to pass off upon the public its cachous as the cachous of the plaintiff. Fraud was the essence of the claim. The simulation might be so great as that fraud would be implied; otherwise it had to be proved by evidence aliunde." In another case it was said: "While the law of trade-marks is but part of the law of unfair competition in trade, yet, when the two are viewed in contradistinction to each other, an essential difference is to be observed. The infringement of trade-marks is the violation by one person of an exclusive right of another person to the use of a word, mark, or symbol. Unfair competition in trade, as distinguished from infringement of trade-marks, does not involve the violation of any exclusive right to the use of a word,

⁵ T. B. Dunn Co. v. Trix Mfg. Co. (1900) 50 App. Div. (N. Y.) 75. See Goodman v. Bohls (1893) 3 Tex. Civ. App. 183, 22 S. W. 11; Radam v. Capital Microbe Destroyer Co. (1891) 81 Tex. 122, 16 S. W. 990; Alf v. Radam (1890) 77 Tex. 530, 14 S. W. 164.

mark, or symbol. The word may be purely generic or descriptive, and the mark or symbol indicative only of style, size, shape, or quality, and as such open to public use, 'like the adjectives of the language,' yet there may be unfair competition in trade by an improper use of such word, mark, or symbol. Two rivals in business, competing with each other in the same line of goods, may have an equal right to use the same words, marks, or symbols on similar articles produced or sold by them respectively; yet if such words, marks, or symbols were used by one of them before the other, and by association have come to indicate to the public that the goods to which they are applied are of the production of the former, the latter will not be permitted, with intent to mislead the public, to use such words, marks, or symbols in such a manner, by trade dress or otherwise, as to deceive or be capable of deceiving the public as to the origin, manufacture, or ownership of the articles to which they are applied, and the latter may be required, when using such words, marks, or symbols, to place on articles of his own production, or the packages in which they are usually sold, something clearly denoting the origin, manufacture, or ownership of such articles, or negating any idea that they were produced or sold by the former."⁶ It is therefore not necessary, in order to obtain an injunction, to show that a technical trade-mark has been infringed. "Irrespective of the technical question of trade-mark, the defendants have no right to dress their goods up in such manner as to deceive an intending purchaser, and induce him to believe he is buying those of the plaintiffs. Rival manufacturers may lawfully compete for the patronage of the public in the quality and price of their goods, in the beauty and tastefulness of their inclosing packages, in

⁶ *Dennison Mfg. Co. v. Thomas Mfg. Co.* (1893) 94 Fed. 651. and cases cited.

the extent of their advertising, and in the employment of agents; but they have no right, by imitative devices, to beguile the public into buying their wares under the impression they are buying those of their rivals."⁷

I. GENERAL PRINCIPLES.

§ 209. Basis of the Rule.

The law of unfair competition rests upon the simple principle that no person has the right to sell his own goods as those of another.⁸ In other words, the basic rule is that no one shall, by imitation or any unfair device, induce the public to believe that the goods he offers for sale are the goods of another, and thereby appropriate to himself the value of the reputation which the other has acquired for his own products or merchandise.⁹

§ 210. Fraudulent Intent.

The same general principle is at the base of all cases of technical trade-mark and unfair competition,—that is, the prevention of fraud upon the public and injury to a business rival. Every suit to restrain unfair competition is

⁷ *Coats v. Merrick Thread Co.* (1893) 149 U. S. 562, 13 S. Ct. 966; *Buck's Stove & Range Co. v. Kiechle* (1896) 76 Fed. 758; *Gilman v. Hunnewell* (1877) 122 Mass. 139; *Croft v. Day* (1843) 7 Beav. 84; *Wotherspoon v. Currie* (1872) L. R. 5 H. L. 508; *Thompson v. Montgomery* (1889) 41 Ch. Div. 35; *Conrad v. Joseph Uhrig Brewing Co.* (1880) 8 Mo. App. 277; *Sawyer v. Horn* (1880) 1 Fed. 24; *Southern White Lead Co. v. Cary* (1885) 25 Fed. 225. See chapter 1. §§ 22-24.

⁸ *Heller & Merz Co. v. Shaver* (1900) 102 Fed. 882.

⁹ *Proctor & Gamble Co. v. Globe Refining Co.* (1899) 34 C. C. A. 405, 92 Fed. 357; *Scheuer v. Muller* (1896) 20 C. C. A. 165, 74 Fed. 225, annotated; *Lare v. Harper Bros.* (1898) 30 C. C. A. 376, 86 Fed. 481; *Kann v. Diamond Steel Co.* (1898) 32 C. C. A. 324, 89 Fed. 706; *Leclanche Battery Co. v. Western Electric Co.* (1885) 23 Fed. 276; *Van Horn v. Coogan* (1894) 52 N. J. Eq. 380.

therefore based on fraud.¹⁰ In technical trade-mark cases the fraud is presumed, while in cases of unfair competition the plaintiff must prove this intent, or show facts and circumstances from which it may reasonably be inferred.¹¹ "Every suit of this character," says Judge Sanborn, "is founded on the fact that the action, or the proposed action, of the defendant has deceived, or is calculated to deceive, ordinary purchasers buying with usual care, so that they have purchased, or will probably purchase, the goods of the defendant under the mistaken belief that they are those of the complainant, to the serious damage of the latter. The deceit, or probable deceit, of the ordinary purchaser, to such an extent that he buys, or will probably buy, the property of one manufacturer or vendor in the belief that they are those of another, is a *sine qua non* of the maintenance of such a suit, because every one has the undoubted right to sell his own goods, or goods of his own manufacture, as such, however much such sales may diminish or injure the business of his competitors."¹² In another case it was said: "This suit is based on fraud. Its foundation is unfair, fraudulent competition, and the intent to deceive is an indispensable element in the fraud which warrants the relief sought. This intent, and the fraud in which it inheres, may be, and generally must be, proved by circumstances, by facts, by sales, by a course of action; but the facts and circumstances which establish

¹⁰ The intentional use of another's trade-mark is a fraud. *Mendez v. Holt* (1888) 128 U. S. 514.

¹¹ *Coats v. Merrick Thread Co.* (1893) 149 U. S. 562, 13 S. Ct. 966; *Gorham Mfg. Co. v. Emery-Bird-Thayer Dry Goods Co.* (1899) 92 Fed. 774, (1900) 43 C. C. A. 511, 104 Fed. 243; *Avery v. Meikle* (1883) 81 Ky. 73; *Mrs. G. B. Miller & Co. Tobacco Manufactory v. Commerce* (1883) 45 N. J. Law, 18; *W. A. Gaines & Co. v. Leslie* (1898) 25 Misc. Rep. (N. Y.) 20.

¹² *Kann v. Diamond Steel Co.* (1898) 32 C. C. A. 324, 89 Fed. 706. (378)

it must be such that the fraud and the intent to deceive the public are fairly inferable from them."¹³ So, in another case it was held that: an injunction to restrain unfair competition will not be granted where the proofs show that defendant has not been guilty of intentional or actual unfairness, and has not employed imitative devices to draw trade from the complainant, or acted with bad faith or wrongful purpose.¹⁴ It is not, however, necessary in each case to prove an actual intent to deceive,¹⁵ as it is sufficient if the defendant's goods, on their face, having regard to the surrounding circumstances, are calculated to deceive. Hence, evidence to prove an intent to deceive is sometimes unnecessary, as a man must be taken to have intended the reasonable and natural consequences of his own acts. If a mere comparison of the goods, having regard to the surrounding circumstances, is not sufficient, the plaintiff may prove by other evidence that what is apparently innocent was in fact intended to deceive.¹⁶ It is equally true that a mere intention to deceive will not justify an injunction unless the means adopted are such as will probably result in misleading the public and

¹³ *Gorham Mfg. Co. v. Emery-Bird-Thayer Dry Goods Co.* (1900) 104 Fed. 243; *Lawrence Mfg. Co. v. Tennessee Mfg. Co.* (1891) 138 U. S. 537, 11 S. Ct. 396; *R. Heinisch's Sons Co. v. Boker* (1898) 86 Fed. 765; *Trask Fish Co. v. Wooster* (1888) 28 Mo. App. 408; *P. Lorillard Co. v. Peper* (1898) 30 C. C. A. 496, 86 Fed. 956. See *Hygeia Distilled Water Co. v. Hygeia Ice Co.* (1900) 72 Conn. 646.

¹⁴ *Morgan Envelope Co. v. Walton* (1898) 30 C. C. A. 383, 86 Fed. 605.

¹⁵ *Powell v. Birmingham Vinegar Brewery Co.* (1896) 65 Law J. Ch. 563. An act, although not actually intended to be fraudulent, which amounts to a constructive legal fraud, will be enjoined by a court of equity. *Singer Mfg. Co. v. June Mfg. Co.* (1896) 163 U. S. 169, 16 S. Ct. 1002; *Singer Mfg. Co. v. Hipple* (1901) 109 Fed. 152; *Halstead v. Houston* (1901) 111 Fed. 376.

¹⁶ *Saxlehner v. Apollinaris Co.* (1897) 66 Law J. Ch. 533, citing *Reddaway v. Banham* (1896) 65 Law J. Q. B. 381, and other cases.

injuring the complainant. "The intention on the part of an alleged infringer to induce purchasers, through the use of a simulated trade-mark or dress, to buy his goods under the belief that they are another's, furnishes no ground for relief unless the similarity between the two trade-marks is of a character 'to convey a false impression to the public mind, * * * and to mislead and deceive the ordinary purchaser.'"¹⁷

In some of the English cases it is said that it is not necessary to prove fraud in order to obtain an injunction against unfair competition, but it is evident that this means little more than that the court will treat certain facts as constructively fraudulent. This tendency, especially in dealing with descriptive or geographical terms which have acquired secondary meanings, is towards applying to such terms the rules governing technical trade-marks.^{17a}

The books abound in cases of relief granted by courts of equity against the improper use of labels, wrappers, bill heads, signs, and other things that are essentially *publici juris*, on the ground that thereby the goods of one person have been intentionally and fraudulently sold as the goods of an-

¹⁷ Centaur Co. v. Marshall (1899) 38 C. C. A. 413, 97 Fed. 785, citing McLean v. Fleming (1877) 96 U. S. 254; N. K. Fairbank Co. v. R. W. Bell Mfg. Co. (1896) 23 C. C. A. 554, 77 Fed. 869; Kann v. Diamond Steel Co. (1898) 32 C. C. A. 324, 89 Fed. 706.

^{17a} Reddaway v. Banham [1896] App. Cas. 199; Cellular Clothing Co. v. Maxton [1899] App. Cas. 326. In the latter case Lord Halsbury said: "The only observation I wish to make upon that part of the argument is that it seemed to be assumed that a fraudulent intention is necessary on the part of the person who was using a name in selling his goods in such a way as to lead people to believe that they were the goods of another person. * * * It is not necessary to establish fraudulent intention in order to claim the intervention of the court." See chapter 2, § 59. See article on "Fraud in Unfair Competition," 16 Harv. Law Rev. (1893) p. 272.

other, to the damage of the latter.¹⁸ A court of equity will enjoin the infringement of a technical trade-mark which has been occasioned by accident or misunderstanding, without actual fraud on the part of the infringer, but it will not enjoin the imitation of labels, bill heads, and commercial names of a rival trader unless such imitations are fraudulently designed, and have a tendency to occasion damage.¹⁹ The relief granted in such cases is based upon the right of a trader to be protected from dishonest competition, and, where it is apparent that fraud is being practiced, the court will not particularly concern itself about the means by which it is being accomplished.²⁰

§ 211. No Exclusive Right in Complainant.

Where the question is simply one of unfair competition in trade, it is not essential that there should be an exclusive or proprietary right in the words or labels used in order to enable the plaintiff to maintain an action, as, irrespective of any question of trade-marks, a manufacturer has no right by imitative devices to beguile the public into buying his wares under the impression that they are buying those of a rival.²¹ In fact, the distinguishing feature of cases of

¹⁸ See *St. Louis Carbonating & Mfg. Co. v. Eclipse Carbonating Co.* (1894) 58 Mo. App. 411.

¹⁹ *American Brewing Co. v. St. Louis Brewing Co.* (1891) 47 Mo. App. 14; *Plant Seed Co. v. Michel Plant & Seed Co.* (1886) 23 Mo. App. 579; *McLean v. Fleming* (1877) 96 U. S. 245.

²⁰ *Weinstock, Lubin & Co. v. Marks* (1895) 109 Cal. 529.

²¹ *McLean v. Fleming* (1877) 96 U. S. 245; *New York Cab Co. v. Mooney* (1884) 15 Abb. N. C. (N. Y.) 152; *Trask Fish Co. v. Wooster* (1888) 28 Mo. App. 409; *City of Carlsbad v. Tibbets* (1892) 51 Fed. 852; *Van Hora v. Coogan* (1894) 52 N. J. Eq. 380; *Coats v. Merrick Thread Co.* (1893) 149 U. S. 562; *The Fair v. Morales* (1899) 82 Ill. App. 499; *Reckitt & Sons v. Kellogg* (1898) 28 App. Div. (N. Y.) 111; *Sawyer v. Horn* (1880) 1 Fed. 24; *Cleveland Stone Co. v. Wallace* (1892) 52 Fed. 431; *Pillsbury-Washburn Flour Mills Co. v. Eagle* (1898) 30 C. C. A. 386, 86 Fed. 608; *Leclanche Battery Co. v. Western Electric Co.* (1885) 23 Fed. 276; *Powell v. Birmingham*

unfair competition is the protection of one who has no technical trade-mark, and hence no exclusive property right.²² A court of equity will thus restrain the fraudulent imitation of a mark, package, or label by which the public may be misled, to the injury of the original user, by one who might rightfully use it under circumstances which relieve from the imputation of fraud.²³ Hence, where a person has established a business in the manufacture and sale of goods, and carries it on under a given name or mark, whether the words or devices adopted by him constitute a trade-mark or not, another person cannot assume the name or mark, or the same, with a slight alteration, in such a way as to induce others to deal with him in the belief that they are

Vinegar Brewery Co. (1896) 65 Law J. Ch. 563; *Croft v. Day* (1843) 7 Beav. 84. In *Montgomery v. Thompson* [1891] App. Cas. 217, Lord Herschell said: "The respondents are entitled to ask that a rival manufacturer shall be prevented from selling his ale under such a designation as to deceive the public into the belief that they are obtaining the ale of the respondents, and he ought not the less to be restrained from doing so because the practical effect of such restraint may be much the same as if the persons seeking the injunction had a right of property in a particular name."

²² *Weinstock, Lubin & Co. v. Marks* (1895) 109 Cal. 529; *Clark Thread Co. v. Armitage* (1895) 67 Fed. 896; *Newman v. Alvord* (1872) 51 N. Y. 189; *William Rogers Mfg. Co. v. Rogers & Spurr Mfg. Co.* (1882) 11 Fed. 495.

²³ *Sawyer v. Horn* (1880) 1 Fed. 24. Even where there is no exclusive right to the use of a word, such as "American," as a trade-mark, a person who uses signs and devices containing the word for the purpose of advertising the sale of his goods will be protected from the fraudulent imitation of such signs and devices by others for the purpose of representing their goods as those of his manufacture, and, when the fraudulent interference is apparent, the device adopted for this purpose is immaterial. *American Brewing Co. v. St. Louis Brewing Co.* (1891) 47 Mo. App. 14; *McLean v. Fleming* (1877) 96 U. S. 245; *Plant Seed Co. v. Michel Plant & Seed Co.* (1886) 23 Mo. App. 579; *Pierce v. Guittard* (1885) 68 Cal. 68. See *Apollinaris Co. v. Brumler* (1890) Cox, Manual Trade-mark Cas. 684, note.

dealing with the person who has given the reputation to the name or mark.²⁴ As said in one case: "Under the circumstances, but one conclusion is admissible, and that is that the defendant intended, by putting up its cordial in the manner described, to deceive the public, and to deprive the complainant of a portion of its patronage by representing its own goods to have been manufactured by the complainant. In the light of these facts it is not very material whether complainant has an exclusive property in the word 'Benedictine,' as applied to its cordial, or has or has not a technical trademark entitling it to protection under treaty stipulation, as, in any event, the law will not permit a person to disguise goods of his own production as those of some other manufacturer, for the purpose of purloining the latter's custom and deceiving the public, although he may make use of no words or symbols except such as, standing by themselves, and in an ordinary relation, are common property. * * * Yet this is precisely what the distilling company seems to have done, and still threatens to do. It could have had no possible motive for representing its goods to be of foreign manufacture, and for adopting the same dress, down to the minutest detail, that complainant's goods have long worn, unless it was to profit by the reputation of complainant's goods, and enable it to make a successful inroad upon complainant's trade."²⁵

§ 212. Fraud of Complainant.

The equitable rule that the plaintiff cannot obtain relief

²⁴ *Pierce v. Guittard* (1885) 68 Cal. 68, citing, with approval, *Lee v. Haley* (1869) 5 Ch. App. 155, and *McLean v. Fleming* (1877) 96 U. S. 245.

²⁵ *Societe Anonyme, etc., v. Western Distilling Co.* (1890) 43 Fed. 416; *McLean v. Fleming* (1877) 96 U. S. 245; *Avery v. Meikle* (1883) 81 Ky. 73; *Croft v. Day* (1843) 7 Beav. 84; *Newman v. Alvord* (1872) 51 N. Y. 192; *Wotherspoon v. Currie* (1872) L. R. 5 H. L. 512; *Sawyer v. Horn* (1880) 1 Fed. 24; *Carson v. Ury* (1889) 39 Fed. 779.

from the fraudulent acts of another unless he comes into court with clean hands applies to cases of this character, as well as to cases of technical trade-mark, or trade-name,²⁶ and often prevents plaintiff from securing an injunction against a party who is in fact guilty of unfair competition. Thus, where it appeared that a manufacturer of cigars placed in each box thereof a printed statement that only the best grades of Havana tobacco were used in the cigars, which were guaranteed to be of choice Havana tobacco, while in fact the cigars contained a considerable portion of inferior tobacco, not Havana, and, in some instances, no Havana tobacco at all, it was held that the misrepresentation prevented the manufacturer from securing relief against an imitator of his labels and advertisements, who was clearly guilty of unfair competition.²⁷

In a recent case it appeared that the plaintiff used the

²⁶ See chapter 13, §§ 314-320.

²⁷ *Hilson v. Foster* (1897) 80 Fed. 896; *Connell v. Reed* (1880) 128 Mass. 477. An article which has been sold for a number of years with increasing demand presumptively has a value which entitles the owner to protection against unfair competition. This was established in the various *Hostetter* cases. In *Hostetter Co. v. Martinoni* (1901) 110 Fed. 524, it was said: "But the court need only concern itself with inquiry as to the merits of the preparation to the extent of discovering whether it has sufficient merit to justify the court in protecting complainant's rights therein; whether complainant has come into court with clean hands, under the fundamental principle that he who seeks equity must do equity. The preparation is designed for the use of the public; the public has tested it for a great number of years, and has stamped it with its seal of approval, as evidenced by the increased demand for the preparation. This is certainly proof of its commercial value, and presumptively establishes the fact that it possesses merit." See, also, *Hostetter Co. v. William Schneider Wholesale Wine & Liquor Co.* (1900) 107 Fed. 705; *Hostetter Co. v. Sommers* (1897) 84 Fed. 333. As to the deceptive use of geographical names, see *Manhattan Medicine Co. v. Wood* (1883) 108 U. S. 218, 2 S. Ct. 436; *Siegert v. Abbott* (1883) 61 Md. 276; *Hoochens v. Hoochens* (1902) 51 Atl. 822. (384)

name "Old Country Soap" on soap manufactured in the United States, for the purpose of inducing persons who had come to this country from Europe to believe that the soap was made in the old country. The court said: "I have no doubt whatever that the purpose of plaintiff is to make the people in a German community believe that its soap is manufactured in Germany, or at least from a recipe coming from that country, and, in an English community, that it is a soap manufactured in England, or at least from a recipe coming from England, and so on in all other communities having a foreign population. One of plaintiff's advertisements used in the argument by consent of parties tends to show that such is plaintiff's purpose, and yet the fact is that plaintiff's soap is made in Chicago, Ill., and is manufactured by an Illinois corporation, as successor of Mr. Wrisley, an American citizen. The long and short of this matter is that complainant comes into court upon proof that tends to show that it is practicing a deception, and has been for years. * * * Plaintiff does not come into court with the right to maintain its action in thus practicing this deception."²⁸ But it is not every departure from the strict truth which will be fatal to the plaintiff's case, especially where no one can reasonably be misled thereby. Thus, the fact that the wrapper in which medicine is placed upon the market contains erroneous statements that the compound is purely vegetable, where the same wrapper truthfully gives the formula in accordance with which it is made, is not such fraud as will defeat the right of the manufacturer to relief from unfair competition.²⁹

²⁸ Allan B. Wrisley Co. v. Iowa Soap Co. (1900) 104 Fed. 548. See the recent decision of the United States supreme court in Worden v. California Fig Syrup Co. (1903) 102 O. G. 623. See, also, Sterling Silk Mfg. Co. v. Sterling Silk Co. (1900) 59 N. J. Eq. 394.

²⁹ Centaur Co. v. Robinson (1899) 91 Fed. 889.

§ 213. Misrepresentation as to Articles not Involved in Suit.

The complainant's right to relief in equity cannot be defeated because he has been guilty of fraud in misrepresenting to the public the origin of an article manufactured by him, but which is not involved in the suit. Thus, in one case it was contended that the complainant was not entitled to the favorable consideration of the court because he was engaged in selling bluing of his own manufacture under the title of "Germania and Bavarian Blues;" that this was a fraud on the public, as the blues thus sold were not of foreign product, and therefore the complainant did not come into court with clean hands. It was not shown that the complainant advertised the articles sold under the names of Germania and Bavarian Blues as being in fact of foreign make any further than that such might be the inference from the use of the words "Germania" and "Bavarian." "But if that were true," said the court, "the complainant is not seeking protection for its business in selling Germania or Bavarian Blues. It asks the aid of the court to protect it against unfair competition in the business of selling the commodities known under the names of 'American Wash Blue' and 'American Ball Blue,' and it is not claimed that it has committed any fraud upon the public in connection with this business, and therefore it is not a case for the application of the rule invoked by defendants."³⁰

§ 214. Laches of Complainant.

It is possible for a party to deprive himself of the right to proceed against a competitor who is guilty of unfair competition in trade by mere delay, so that even a wrongdoer may sometimes successfully defend on this ground.³¹ It must,

³⁰ *Heller & Merz Co. v. Shaver* (1900) 102 Fed. 882.

³¹ See ante, c. 5, §§ 105-109; post, c. 13, § 313.

however, be such delay as would lead a reasonable person to suppose that the owner had abandoned his device, or such as induced defendants to act under such circumstances as required the owner to assert his right. Each case must be decided upon its own facts, as there can be no fixed rule. Time is only a matter of evidence, to be considered in connection with other matters.³² Thus, in one case the court said: "There is no evidence in this case that the defendants were encouraged or misled into their wrongful acts, or that the plaintiffs were silent when they were called upon to speak. The evidence shows that they moved with as much celerity as was consistent with a proper vindication of their right. The delay seems to have been no greater than was necessary for a prudent, careful preparation for the legal conflict."³³ Another case presented the question whether, after the defendant had used a certain name for nearly thirty years publicly and notoriously, with no interposition on the part of the complainants, the latter could be heard to assert the right to an injunction. "It is impossible," said the court, "that the owners of the natural waters should not have known that, wherever they were extensively sold, artificial waters were being made and sold extensively by the same name. If the artificial waters had been made and sold as purporting to be the natural waters, there would be less equity in the defense of laches and acquiescence; but they were not,—they were made and sold to supply a demand for artificial waters, having properties similar to those of the natural water. It is very late to ask the intervention of equity to suppress a course of business which originated innocently, and has been so generally adopted. Equity is indisposed to assist parties who have slept upon their rights and acquiesced in their appro-

³² Sheppard v. Stuart (1879) 13 Phila. (Pa.) 117.

³³ Sheppard v. Stuart (1879) 13 Phila. (Pa.) 117.

priation by others for a great length of time. The unexampled delay and acquiescence in the present case, I think, should defeat the action."³⁴

§ 215. Parties Misled.

The rule which protects against unfair competition is primarily for the protection of the party against whom such competition is directed, and only incidentally for the protection of the public. In some of the cases language is used which would suggest that the public is under the protection of the court, but in fact the liability of the article to mislead the public is only an element of proof in the plaintiff's case, the evidence showing that he has been or may be injured by the fraudulent acts of the defendant. The court, therefore, does not interfere for the purpose of preventing the public from being misled, except in so far as it is necessary to protect the owner of a business from its fraudulent invasion by others.³⁵ If what is done tends to mislead the public, it naturally diverts customers from the complainant, to the injury of his business.³⁶ The prohibition is upon so acting as to beguile the public, and thus mislead an intending purchaser into buying the goods of one person, under the belief that he is buying those of a rival.³⁷ But the mere possibility that an extremely ignorant or careless person may be deceived is not the test, and it need not be made to appear that some particular person has actually been deceived.³⁸ It is presumed

³⁴ *La Republicque Francaise v. Schultz* (1899) 94 Fed. 500, citing *Woodmanse & Hewitt Mfg. Co. v. Williams* (1895) 37 U. S. App. 109, 15 C. C. A. 520, 68 Fed. 489.

³⁵ *Levy v. Walker* (1878) 10 Ch. Div. 436, 448. See chapter 9, §§ 187-191.

³⁶ *Holbrook v. Nesbitt* (1895) 163 Mass. 120.

³⁷ *Coats v. Merrick Thread Co.* (1893) 149 U. S. 566, 13 S. Ct. 966.

³⁸ *Bolen & Byrne Mfg. Co. v. Jonasch* (1899) 29 Misc. Rep. (N. Y.) (388)

that purchasers will be persons of ordinary intelligence³⁹ and caution, and that they will exercise ordinary care.

So, regard must be had to the class of persons who purchase the particular article for consumption, and the circumstances ordinarily attending such purchases.⁴⁰ Thus, the fact that articles under a similar wrapper or label are generally sold in a community where the people are mostly unable to read or write is properly taken into consideration.⁴¹ The test is whether ordinary purchasers, as distinguished from the members of a particular trade, are liable to be misled.⁴² In determining whether packages are so dressed as to be calculated to deceive persons, equity regards the consumer, as well as the middle man, for it is to him, more than to the jobber or wholesale purchaser, that the various *indicia* of origin appeal.⁴³ It is therefore not a defense to show that no deception is in fact practiced on those with whom the defendant deals personally, as an injunction will be granted if the ultimate consumers to whom the goods are intended to be resold are or may be deceived.⁴⁴ As held in one case: "Where imitation of packages, stamps, and letters is complained of,

99; *Jay v. Ladler* (1888) 40 Ch. Div. 649; *Von Mumm v. Frash* (1893) 56 Fed. 830.

³⁹ *Hildreth v. D. S. McDonald Co.* (1895) 164 Mass 16. Where the label or device used is manifestly and entirely dissimilar, so that a person of ordinary prudence and caution could not be deceived into buying one article for the other, an action will not lie. *Alff v. Radam* (1890) 77 Tex. 530.

⁴⁰ *C. F. Simmons Medicine Co. v. Simmons* (1897) 81 Fed. 163; *N. K. Fairbank Co. v. R. W. Bell Mfg. Co.* (1896) 23 C. C. A. 554, 77 Fed. 869; *Talcot v. Moore* (1875) 6 Hun (N. Y.) 106.

⁴¹ *C. F. Simmons Medicine Co. v. Simmons* (1897) 81 Fed. 163.

⁴² *R. Heinisch's Sons Co. v. Boker* (1898) 86 Fed. 765.

⁴³ *C. F. Simmons Medicine Co. v. Simmons* (1897) 81 Fed. 163; *N. K. Fairbank Co. v. R. W. Bell Mfg. Co.* (1896) 23 C. C. A. 554, 77 Fed. 869; *McLean v. Fleming* (1877) 96 U. S. 245.

⁴⁴ *Southern White Lead Co. v. Cary* (1885) 25 Fed. 125.

the question is whether there is such similarity as is likely to impose on ordinary purchasers, exercising such care only as is commonly used in purchasing the article in question. When this question cannot be answered with certainty or safety, and there is no proof that any one has actually been misled, a preliminary injunction is properly denied."⁴⁵

An intending purchaser of an article in the market is not bound to be careful or to compare labels under which similar articles are sold. Where a manufacturer has built up an extensive trade in his product, which has become known by a certain name, and a second manufacturer of a similar article places it on the market under the same name, and in packages so similar as to deceive the unwary and careless, such facts are evidence of intended imposition, which entitles the first manufacturer to an injunction, although he is not entitled to the exclusive use of the name as a trade-mark.⁴⁶ The court must in all cases use its judgment as to the similarity of packages and labels, and the fact that others may differ from it in opinion, or that a few isolated purchasers have been misled, does not necessarily bind it.⁴⁷ Hence, in determining whether a person of ordinary intelligence would be misled by the alleged facts, the court is not necessarily controlled by the fact that the evidence shows that certain witnesses were in fact misled in making purchases of the goods of the one party for those of another. In the *Lorillard Case*, Mr. Justice Brewer said: "We cannot surrender our own judgment in this matter because others may be of a different opinion, or because it happens, in isolated instances, that some purchaser was so careless as not to detect the differences. It

⁴⁵ *Van Camp Packing Co. v. Cruikshanks Bros. Co.* (1898) 33 C. C. A. 280, 90 Fed. 814.

⁴⁶ *Centaur Co. v. Robinson* (1899) 91 Fed. 889.

⁴⁷ *P. Lorillard Co. v. Peper* (1898) 30 C. C. A. 496, 86 Fed. 956. See chapter 9, §§ 190-193.

may well be that, where many sales were made, some individuals, not particularly attentive, may have purchased the defendant's, supposing they were purchasing the plaintiff's, package. Such things will happen in the ordinary course of business, no matter how great the differences; and the fact that they do happen, while it is not to be ignored, is not to outweigh the evidence which comes from a personal inspection of the packages and labels."⁴⁸

II. ILLUSTRATIONS AND CONDITIONS UNDER WHICH RELIEF IS GRANTED.

§ 216. Use of Corporate Name.

The right to a corporate name is ordinarily protected by positive statute, and sometimes may be protected as a trade-name,⁴⁹ but, in the absence of such a statute, and when it cannot be considered a technical trade-name, it will be protected under the general principles which govern unfair competition. Thus, the outgoing stockholders of a corporation, the most distinguishing part of whose names the corporation bears, have no right to compete in business under a corporate name so nearly like the first as to mislead customers.⁵⁰ Equity will restrain the use of a name which has become, with other *indicia*, the chief means in commerce of distinguishing a proprietary article of merchandise from others of the same class, even where the infringer has acquired the

⁴⁸ P. Lorrillard Co. v. Peper (1898) 30 C. C. A. 496, 86 Fed. 956.

⁴⁹ See chapter 8, §§ 167-176.

⁵⁰ Van Auken Co. v. Van Auken Steam Specialty Co. (1895) 57 Ill. App. 240; Hazleton Boiler Co. v. Hazleton Tripod Boiler Co. (1891) 137 Ill. 231; Merchants' Detective Ass'n v. Detective Mercantile Agency (1888) 25 Ill. App. 250; Holmes, Booth & Haydens v. Holmes, Booth & Atwood Mfg. Co. (1870) 37 Conn. 278. As to use of personal name as a part of a corporate name, see *infra*, § 238. See, also, chapter 8, § 172.

name through the instrumentalities of the laws for the incorporation of business companies, if he has done so with the fraudulent intent of stealing the trade of another.⁵¹

§ 217. Disclosure of Trade Secrets.

Many articles of great value are manufactured under secret, but not patented, processes, which necessarily become known to the employes of the manufacturer. Unless the law protected the owners of these secret processes, each employe

⁵¹ Charles S. Higgins Co. v. Amalga Soap Co. (1894) 10 Misc. Rep. (N. Y.) 268; Charles S. Higgins Co. v. Higgins Soap Co. (1895) 144 N. Y. 462, 39 N. E. 490; Cohn v. Gottschalk (1888) 16 N. Y. St. Rep. 818; Fischer v. Blank (1893) 138 N. Y. 244; Enoch Morgan's Sons' Co. v. Troxell (1881) 23 Hun (N. Y.) 632, 640; Newman v. Alvord (1872) 51 N. Y. 189; Celluloid Mfg. Co. v. Cellonite Mfg. Co. (1887) 32 Fed. 94; Holmes, Booth & Haydens v. Holmes, Booth & Atwood Mfg. Co. (1870) 37 Conn. 278; Hendriks v. Montagu (1881) 50 Law J. Ch. 456, 17 Ch. Div. 638; Merchants' Detective Ass'n v. Detective Mercantile Agency (1888) 25 Ill. App. 250; Le Page Co. v. Russia Cement Co. (1892) 2 C. C. A. 555, 51 Fed. 941; Taylor v. Carpenter (1846) 2 Sandf. Ch. (N. Y.) 664; McLean v. Fleming (1877) 96 U. S. 245. In Celluloid Mfg. Co. v. Cellonite Mfg. Co. (1887) 32 Fed. 94, Mr. Justice Bradley said: "As to the imitation of the complainant's name, the fact that both are corporate names is of no consequence in this connection. They are the business names by which the parties are known and are to be dealt with precisely as if they were the names of private firms or partnerships. The defendant's name was of its own choosing, and, if an unlawful imitation of the complainant's, is subject to the same rules of law as if it were the name of an unincorporated firm or company. It is not identical with the complainant's name. That would be too gross an invasion of the complainant's right. Similarity, not identity, is the usual recourse when one party seeks to benefit himself by the good name of another." Quoted in Peck Bros. & Co. v. Peck Bros. Co. (1902) 113 Fed. 291, which cites R. W. Rogers Co. v. Wm. Rogers Mfg. Co. (1895) 17 C. C. A. 576, 70 Fed. 1017; Investor Pub. Co. of Massachusetts v. Dobinson (1896) 72 Fed. 603; Charles S. Higgins Co. v. Higgins Soap Co. (1895) 144 N. Y. 462, 39 N. E. 490, 27 L. R. A. 42, 43 Am. St. Rep. 769; Holmes, Booth & Haydens v. Holmes, Booth & Atwood Mfg. Co. (1870) 37 Conn. 278, 9 Am. Rep. 324.

could, as soon as he learned the secrets of his employer, set up an establishment of his own, and thus appropriate valuable processes which his employer may have spent much money and time in discovering and developing. To prevent this, the manufacturer of such articles generally requires his employes to agree not to disclose or use the trade secrets which must thus necessarily be imparted to them. Such contracts are not against public policy, as being in restraint of trade. As said in one case: "It is settled that a secret art is a legal subject of property, and that a bond for a conveyance of the exclusive right to it is not open to the objection of being in restraint of trade, but may be enforced by action at law, and requires the obligor not to divulge the secret to any other person."⁵² And in another, "Here is a party which, by the expenditure of vast sums of money, and the exercise of much skill and ingenuity, has built up a large and prosperous business, the capital of which consists largely in certain inventions and discoveries made by its officers, servants, and agents. The world at large knows nothing of these inventions and discoveries, because they are locked within the brain of those who conceive them. The defendants, who have been largely instrumental in perfecting them, while under both an express and implied contract to give the plaintiff the benefit of their inventive genius, propose now to disregard their legal and moral obligations, by creating a new establishment, where these inventions and discoveries may be employed, to plaintiff's serious injury. This is not legitimate competition, which it is always the policy of the law to foster and encourage, but it is *contra bonos mores*, and constitutes a breach of trust which a court of law, and much more a court of equity, should not tolerate."⁵³ But there are limits to the ap-

⁵² Peabody v. Norfolk (1868) 98 Mass 452, 96 Am. Dec. 664.

⁵³ Eastman Kodak Co. v. Reichenbach (1894) 79 Hun (N. Y.) 183.

plication of this rule. In one case it appeared that the trademark and proprietary right to White Cochin Cocoanut Oil Soap, known as "Coal Oil Johnny Soap," was in one Jenkins, and that any one could manufacture the soap for him, provided he knew how to do it, as no secret process was involved. One Grant, who had special skill in compounding the soap, agreed with the plaintiff's assignor to erect a soap plant for the manufacture of White Cochin Cocoanut Oil Soap,— "the same kind of soap now being supplied Maross Jenkins, and known as 'Coal Oil Johnny Soap';" also to surrender all his rights, and all processes and formulæ, and that he would not sell any plants in the United States for that

See, also, *O. & W. Thum Co. v. Tloczynski* (1897) 114 Mich. 149, 38 L. R. A. 200, citing *Peabody v. Norfolk* (1868) 98 Mass. 452, 96 Am. Dec. 664; *Vickery v. Welch* (1837) 19 Pick. (Mass.) 523; *Taylor v. Blanchard* (1866) 13 Allen (Mass.) 373, 374, 90 Am. Dec. 203; *Jarvis v. Peck* (1843) 10 Paige (N. Y.) 118; *Salomon v. Hertz* (1885) 40 N. J. Eq. 400; *Simmons Hardware Co. v. Weibel* (1891) 1 S. D. 488, 11 L. R. A. 267; *Eastman Kodak Co. v. Reichenbach* (1894) 79 Hun (N. Y.) 183; *Morison v. Moat* (1852) 21 Law J. Ch. 248, 9 Hare, 241; High, Inj. (2d Ed.) p. 15; *Hammer v. Barnes* (1863) 26 How. Pr. (N. Y.) 174; *Champlin v. Stoddart* (1883) 30 Hun (N. Y.) 300; *Tabor v. Hoffman* (1889) 118 N. Y. 30; *Bristol v. Equitable Life Assur. Soc.* (1892) 132 N. Y. 264-267; 1 Story, Eq. Jur. § 323; 2 Story, Eq. Jur. § 952, and many cases there cited; 10 Am. & Eng. Enc. Law, 949; High, Inj. § 19; *Davies v. Clough* (1837) 8 Sim. 262; *Williams v. Prince of Wales Life, etc., Co.* (1852) 23 Beav. 338; *Yovatt v. Winyard* (1820) 1 Jac. & W. 394; *Tipping v. Clarke* (1843) 2 Hare, 393; *Little v. Gallus* (1896) 4 App. Div. (N. Y.) 569; *Tuck v. Priester* (1887) 19 Q. B. Div. 629; *Pollard v. Photographic Co.* (1888) 40 Ch. Div. 345. The court distinguished the following: *Newbery v. James* (1817) 2 Mer. 446; *Williams v. Williams* (1817) 3 Mer. 157; *Kimberley v. Jennings* (1836) 6 Sim. 340; *Voorhies v. Frisbie* (1873) 25 Mich. 482, 12 Am. Rep. 291; *Blanchard v. Detroit, L. & L. M. R. Co.* (1875) 31 Mich. 43, 18 Am. Rep. 142; *Bumpus v. Bumpus* (1884) 53 Mich. 346; *C. F. Simmons Medicine Co. v. Simmons* (1897) 81 Fed. 163, citing and quoting from *Gibbs v. Consolidated Gas Co. of Baltimore* (1889) 130 U. S. 396, 9 S. Ct. 553.

particular manufacture for the term of twenty years. The following year he erected for defendants' assignors a similar plant, ostensibly for green soaps, but which would make any soap manufactured by the "cold-water process," and the defendants manufactured a White Cochin Coconut Oil Soap, under the name of "Coal Oil Johnny Soap." It was held that Grant's contract did not prevent him from erecting a plant, as he had done, for the manufacture of soap in general, and that, in the absence of proof of knowledge in the defendants of the rights which Grant had sold to the assignors of the plaintiff, the mere fact that defendants had diverted the plant to the manufacture of "Coal Oil Johnny Soap" did not impose a liability upon them. Nor did the further fact that Grant had furnished to defendants' assignors an operator who, in a lawful way, had learned how to manufacture "Coal Oil Johnny Soap," give the plaintiff a right to an injunction against defendants, and his remedy, if any, was against Grant.⁵⁴

§ 218. Ex-partner—Use of Information by.

Where a member of a partnership avails himself of information obtained by him in the transaction of the partnership business, or by reason of his connection with the firm, for any purpose of the partnership business, or for any purpose which would compete with the partnership business, he is liable to account to the firm for any profit he may obtain from the use of such information. If, however, he uses the information for purposes which are wholly without the scope of the partnership business, and not in competition with it, the firm is not entitled to an accounting of such benefit. Thus, where a member of a firm of ship brokers, styled

⁵⁴ Bell & Bogart Soap Co. v. Petrolia Mfg. Co. (1898) 25 Misc. Rep. (N. Y.) 66.

“H. & C. Co.,” assisted in the formation of a general stock company for building ships, and in so doing availed himself of information obtained as a member of the firm, and occasionally used the name and office paper of the firm in his correspondence on that subject, and received a remuneration for his services in the formation of the company, and threatened to engage in the business of a ship owner under the name of “H. C. Co., Ship Owning,” it was held, in an action by the partners to restrain him from using the name of the firm in a separate business, and asking for an account of his profits and salary in connection with the new company, that defendant would be restrained from using the name “H. C. Co.,” but that, as the business of the new company was beyond the scope and did not compete with the partnership business, the defendant was not bound to account for the benefit obtained by him in connection with the new company. The use by the defendant of the name and paper of the “H. C. Co.” in promoting the ship-building company was held not to be sufficient to show that, as between defendant and his partners, ship building was within the scope of the partnership business.⁵⁵

§ 219. Advertising as “Late With”—“Successor to.”

In the absence of a prohibitory contract, an employe who severs his connection with an establishment with which he is employed, and engages in business for himself in opposition to his late employer, may advertise the fact of his former employment, provided he does it in such a way as not to induce customers or the public to believe that he is carrying on the business for the establishment from which he has retired.⁵⁶ Merely advertising a person as “late with” a well-

⁵⁵ Aas v. Benham, (1891) 2 Ch. 244.

⁵⁶ Sanders v. Bond (1891) 47 Mo. App. 363.

known firm, with the evident purpose of thereby drawing a part of the custom of the old firm, is not in itself unfair competition, and hence a person who was formerly in the employ of a firm, and who engages in similar business, may display upon the sign under his name the words "late with" such firm, but he must not arrange the matter in such a manner as to deceive the public.⁵⁷ A party, who had been an employe as watchmaker and clerk for a jeweler, left his employer and opened a store a few doors from the place of business of his former employer, and put up a sign which read, "A. Horowitz, late with J. P. Van Wyck." It was held that he had a right to use this sign.⁵⁸

One E. P. began, in 1844, in Paris, France, the business of manufacturing toilet preparations, which became well and favorably known in Europe and the United States in connection with the name of E. P. The business was continued by the firm of which E. P. was a member, under the name of "Parfumerie E. P.," and by the plaintiff, to whom the business and all the trade-marks were sold. In 1895 the defendant, who had been in plaintiff's employ, began the manufacture and sale of certain toilet preparations with the same names as plaintiff's, which were manufactured in the United States, but were marked with labels in the French language, so devised as to give the impression that the goods were French. Defendant also placed on his labels a statement that he was "formerly with" the Parfumerie E. P., and arranged the names in such a manner as to give the impression that the latter was the name of the manufacturer. He also placed

⁵⁷ *Holbrook v. Nesbitt* (1895) 163 Mass. 120, 39 N. E. 794. In *Marcus Ward & Co. v. Ward* (1891) 15 N. Y. Supp. 913, affirmed 61 Hun, 625, it was held that the defendant could not be enjoined from advertising as "Marcus Ward's Son."

⁵⁸ *Van Wyck v. Horowitz* (1886) 39 Hun (N. Y.) 237, reversing 16 Abb. N. C. 121.

on the labels a picture which closely resembled a picture used on the plaintiff's labels, and it was held that, as it appeared that the defendant was attempting to palm off his goods as those of the plaintiff, the use of such labels should be enjoined.⁵⁹

The words used must be such as to convey the true nature of the former connection of the party with his employer. Hence, where the defendant had been the business manager of a corporation whose business was the preparation and sale of certain medicines, and who had nothing to do with the compounding and putting up of such medicines, he was restrained, at the suit of the successor of such corporation, from advertising himself in his subsequent business operations as "late manager" of the former company, because it conveyed the false impression that he had managed the compounding and putting up of the medicines.⁶⁰ A retail dealer cannot properly advertise himself as the "successor to" a wholesale business which was simply discontinued without a "successor."⁶¹

§ 220. Oral Statements.

Although it has been determined that another manufacturer has the right to use labels and packages containing a name similar to that used by the complainant, a dealer, in the goods of such manufacturer, will be enjoined from making oral representations which tend to confuse the goods of the two manufacturers in the minds of the purchasers. In a recent case in the United States circuit court for the Southern district of New York it was said: "In view of the decision

⁵⁹ Klotz v. Hecht (1896) 73 Fed. 822.

⁶⁰ Humphrey's Homeopathic Medicine Co. v. Bell (1888) 15 Daly (N. Y.) 6.

⁶¹ Nolan Bros. Shoe Co. v. Nolan (1900) 131 Cal. 271, 53 L. R. A. 384.

of the case against Wilhelmina Weber in the Eastern district, complainant is not entitled to any relief which will interfere with the labels or manner of packing the goods complained of. The further representation, however, of the defendant, when selling, that such tea is 'Weber's Tea,' is an independent act, not considered in the former suit. He may sell the packages which Wilhelmina is allowed to put up, and which represent the goods as 'genuine imported Alpine herb tea, manufactured by F. G. Weber & Co.,' and may repeat that representation orally; but when he further represents the contents to be 'Weber's Tea,' his statements, as the affidavits show, tend to produce a confusion of goods, against which the public should be protected. The prayer for relief seems to be broad enough to warrant an injunction against selling any preparation not manufactured by complainant upon the representation that it is 'Weber's Tea.'⁶² To that extent the complainant was held entitled to a temporary injunction.

§ 221. Monopoly of Material.

The fact that a person has obtained a monopoly of the material from which his goods are manufactured gives him no broader rights to protection in his trade-mark or trade-name, or against unfair competition on the part of his competitors. A bill alleged that the complainant was the manufacturer of a washboard having its rubbing face made of aluminum, and on which it used the name "Aluminum" as a trade-mark or trade-name; that it was the only manufacturer of such boards in the country, having secured a monopoly of all sheet aluminum produced which was suitable for use in their manufacture. It was also alleged that defendant had placed on the market a washboard on which he had used the word "Aluminum," by

⁶² Weber Medical Tea Co. v. Kirschstein (1900) 101 Fed. 580.

reason of which the public was deceived into buying it as a genuine aluminum washboard, although there was in fact none of that metal in its composition. It was held that the bill did not state facts which entitled complainant to relief, as it was not shown that purchasers bought defendant's boards in the belief that they were made by the complainant, and any direct injury resulting to complainant could only be by reason of its monopoly, which could not afford ground for equitable relief against a competitor. "We are not referred to any case," said the court, "nor can we think of any reason why one who has obtained a monopoly in the material of which his goods are made should have any broader rights in protecting his trade-name than another, who is engaged in competition in the same line of business."⁶³

§ 222. Selling Inferior Goods under Similar Name.

A person who was not a manufacturer or a dealer, but a philanthropic scientist, originated and freely gave to the world a system of all-wool underwear. The firm who manufactured and sold such underwear in strict accordance with such system, under an arrangement with the scientist, used his name in connection therewith, but had no proprietary right to the use of such name. In an action by the assignee of such firm to enjoin defendant from selling such underwear, it appeared that defendant, in the use of such name to designate the kind and quality of his goods, sold as the same kind of underwear an inferior article, containing a substantial admixture of cotton. It was held that such use was a deceptive misrepresentation, and constituted unfair competition, against which plaintiff was entitled to relief, and that in such case the defendant would be enjoined from advertising or in any way

⁶³ American Washboard Co. v. Saginaw Mfg. Co. (1900) 45 C. C. A. 233, 103 Fed. 281.

representing that the underwear sold by him, containing an admixture of cotton, was the kind and quality of underwear designated by the use of such name, and from using the originator's name in connection with the word "genuine," or other words so used, and from advertising or representing his underwear by any designation containing such name alone, or in combination with other words.⁶⁴

⁶⁴ *Dr. Jaeger's Sanitary Woolen System Co. v. Le Boutillier* (1893) 5 Misc. Rep. 78, 24 N. Y. Supp. 890, citing *Read v. Richardson* (1881) 45 Law T. (N. S.) 54; *Apollinaris Co. v. Scherer* (1886) 27 Fed. 18; *Celluloid Mfg. Co. v. Cellonite Mfg. Co.* (1887) 32 Fed. 94; *Von Mumm v. Frash* (1893) 56 Fed. 830; *Anheuser-Busch Brewing Ass'n v. Piza* (1886) 24 Fed. 149. See chapter 4, § 86. Sale of inferior goods under imitative label, see *Garrett v. T. H. Garrett & Co.* (1896) 24 C. C. A. 173, 78 Fed. 472. In *Russia Cement Co. v. Katzenstein* (1901) 109 Fed. 314, it appeared that for a number of years the complainant had manufactured and sold glue of different grades under the general name of "Le Page's Glue," with further designations to denote grade and quality. The highest grade was known as "Le Page's Liquid Glue," and the lowest as "Le Page's Fish-Head Glue." The defendants purchased a quantity of the latter from the complainants, and put it up in bottles with distinctive labels, stating correctly that it was manufactured by complainants, and bottled by defendants, but on them printed the name "Le Page's Liquid Glue." It was held that this use of an inferior grade in connection with a trade-mark which had become known in connection with the complainant's best grade constituted unfair competition. The court said: "The test in this case must be, was there an intent on the part of these defendants, by the unauthorized use of the trade-mark and words specifying a grade of complainant's commodity, to palm off the goods bought by them from the manufacturer for a better or different quality? The proofs clearly show that the defendants purchased a less expensive grade of glue than the liquid glue. No remedy lies to restrain these defendants from truthfully advising the trade that glue sold by them is manufactured by complainant. The defendants' commodity cannot be successfully assailed when it discloses truthfully the source of its manufacture. *Gillott v. Kettle* (1854) 3 Duer (N. Y.) 624; *Hennessy v. Hogan* (1869) 6 Wyatt. W. & A'B. Eq. 225; *Condy v. Taylor* (1887) 56 Law T. (N. (401)

§ 223. Imitation of Signs.

All practices between business rivals which tend to engender unfair competition are odious, and will be suppressed by injunction; hence no man will be permitted to make use of signs or tokens which serve to confuse the identity of his business with that of another, or to mislead the public, and thus divert custom from his competitor to himself. Where it appeared that the defendant had intentionally used signs in imitation of those theretofore adopted by the plaintiff, and had done so for the purpose of advertising beer brewed by it as the product of plaintiff's brewery, and that the imitation was sufficiently close to deceive the public, it was held that the plaintiff was entitled to enjoin the further use of such signs by defendant.⁶⁵ The same principle was applied to protect an auctioneer in the use of an advertising flag. For several years a real-estate auctioneer had been selling suburban property on the installment plan, and had used in his business, and had printed with his extensive newspaper advertisements, a representation of a flag with stars studding the upper and lower borders in an effective and striking way. The de-

S.) 891. The deceit lies in the fact that the glue is placed on the market by the defendants as a liquid glue of different grade and quality than that bought by defendants in bulk from complainant." In *Hostetter Co. v. Martinoni* (1901) 110 Fed. 524, it appeared that plaintiffs had the exclusive right to the use of the name "Hostetter," as applied to bitters. The defendant, upon being inquired of for Hostetter's Bitters, and objection being made to the price, stated that he could sell Hostetter's Bitters in bulk at a less price, and thereupon furnished an empty Hostetter Bitters bottle, and filled it with bitters thus sold in bulk, charging a less price than that at which Hostetter's Bitters were sold. It was held that this was a fraud upon complainant's rights, regardless of the comparative quality of the preparations, and that he was entitled to an injunction.

⁶⁵ *American Brewing Co. v. St. Louis Brewing Co.* (1891) 47 Mo. App. 14.

fendant, who was also a real-estate auctioneer, dealing in similar property on the same plan, advertised his sales in newspapers with a representation of a flag not only calculated to, but which in fact in many cases did, deceive people, who believed that defendant's advertisements were those of the plaintiff. Defendant's flag imitated plaintiff's in the arrangement of the stars on the border, and it was held that, while defendant had as much right to use in his advertisements the picture of a flag as plaintiff, yet he had no right unfairly or fraudulently to imitate the peculiar fanciful arrangement of details which indicated to the public the plaintiff's special business sign, for the purpose of acquiring to himself the custom of the plaintiff.⁶⁶

§ 224. Substitution of Goods.

Plaintiff's had a trade-mark in the word "Sapolio," which was used to designate a kind of soap. When persons called at the defendant's store and asked for Sapolio, their salesmen would, without explanation, deliver a soap called "Pride of the Kitchen," on which these words were plainly marked, and receive the customary price. The wrappers used on the two soaps were entirely different in size and shape, and the cakes were also different. It was held that, although the word "Sapolio" was not used on the soap, and there was no resemblance in the packages, the transaction amounted to an infringement of the plaintiff's rights, and would be enjoined. The court said: "That the act of the salesman in offering 'Pride of the Kitchen' in response to a demand for 'Sapolio' is, though done silently, a positively unlawful act, is clear. Its unlawfulness consists in an attempt to steal away the business of the complainant for the benefit of the manufacturers of 'Pride of the Kitchen.' It is clearly the object of the law

⁶⁶ Johnson v. Hitchcock (1888) 3 N. Y. Supp. 680.

of trade-marks to prevent this.”⁶⁷ In a more recent case the proof disclosed a scheme by which, when a thirsty patron of certain dealers in the city of Louisville called for “Blue Lick Water,” meaning the genuine Blue Lick, which was produced in Nicholas county, Kentucky, he was to be given water from the artesian well of another party. This was a fraud upon the public and upon the proprietors of the Blue Lick water, as a purchaser has a right to get what he asks for, and the owner was entitled to the profit from the sale of the article sought.⁶⁸

§ 225. Methods of Advertising.

A manufacturer’s distinctive advertisements cannot be imitated by devices which involve nothing original, and, although not identical at every point, are so similar as to be readily mistaken for the original by the ordinary purchaser.⁶⁹

§ 226. Place of Advertisement as Affecting Fraud.

In determining the question of the effect of imitating a label or other device, it is apparent that the place where it is

⁶⁷ *Enoch Morgan’s Sons Co. v. Wendover* (1890) 43 Fed. 420. While the language of this case refers to trade-marks, the principle upon which the court proceeded is that of unfair competition in trade. In the decision the learned court quotes the language of Mr. Justice Bradley in *Celluloid Mfg. Co. v. Cellonite Mfg. Co.* (1887) 32 Fed. 97: “It is the object of the law relating to trade-marks to prevent one man from unfairly stealing away another’s business and goodwill. Fair competition in business is legitimate, and promotes the public good; but an unfair appropriation of another’s business by using his name or trade-mark, or an imitation thereof calculated to deceive the public, or in any other way, is justly punishable by damages, and will be enjoined by a court of equity.”

⁶⁸ *Parkland Hills Blue Lick Water Co. v. Hawkins* (1894) 95 Ky. 502, 26 S. W. 389.

⁶⁹ *Hilson Co. v. Foster* (1897) 80 Fed. 896.

used must be noted. Thus, the use of a name in localities not very remote from each other might justify the inference that the establishments are those of the same proprietor. In a recent Rhode Island case, where the question of locality was discussed, the court said: "The character of the name adopted by the complainant suggests a distribution of offices. It would be natural for a person reading the advertisement of the complainant in a Pawtucket paper, and seeing the signs of the defendant displayed there, to suppose that they indicated a branch office of the same concern, and this we have no doubt the defendant intended should happen. It is the only result which he could anticipate from his contrivances."⁷⁰ So, a person may use a sign or business name in one street, when he would not be permitted to do so in another. Thus, a boot maker having a shop in Bedford street, with a front entrance on the Strand, placed over his shop the words "Civil Service Boot Supply." The Civil Service Supply Association was, at the time, building a large store at the other end of Bedford street, in which, when finished, it opened a general shop. Afterwards it opened a boot and shoe shop near by, in Travistock street. It appeared that one of the customers of the association had gone to the boot maker's shop, mistaking it for the association. An action was brought to restrain the boot maker from using the words, but it was held that the evidence did not justify the inference that the boot maker intended to deceive, as no rational person could have been deceived.⁷¹

In commenting on another case, the vice-chancellor said: "The decision * * * did not depend upon the use of the words 'Guinea Coal Co.' * * * I said they were entitled to call themselves the Guinea Coal Company if they sold

⁷⁰ Cady v. Schultz (1895) 19 R. I. 193.

⁷¹ Civil Service Supply Ass'n v. Dean (1879) 13 Ch. Div. 512.

coals at one guinea a ton, and that they might have called themselves so in any other place than Pall Mall; but the fraud consisted in setting up in Pall Mall, and deluding persons who went into Pall Mall to buy coals from the other company.⁷²

§ 227. Expiration of Patent.

After the expiration of a patent, any one has the right to manufacture the article, and to designate it by the name by which it has become known to the public, although no one has the right to represent in any manner that his goods are actually manufactured by the original owner of the patent.⁷³ Courts of equity thus uphold the right of the original manufacturer of a patented article to be protected from a fraudulent imitation of the *indicia* by which such articles have been known to the trade, without regard to whether these devices had been adopted during the life of the patent, or after its expiration.⁷⁴

§ 228. Expiration of Patent—Generic Name—Secondary Meaning of Word.

After the expiration of a patent, the public is entitled not only to manufacture the article, but also to use the name by which the article has become popularly known. The rule is well established that, where, during the life of the monopoly created by the patent, the name, whether it be arbitrary or that of the inventor, has become, by his consent, either ex-

⁷² Lee v. Haley (1869) 5 Ch. App. 155, 22 Law T. (N. S.) 251.

⁷³ Frost v. Rindskopf (1890) 42 Fed. 408. See chapter 5, § 110.

⁷⁴ Centaur Co. v. Killenberger (1898) 87 Fed. 725; distinguishing Centaur Co. v. Heinsfurter (1898) 28 C. C. A. 581, 84 Fed. 955; Coats v. Merrick Thread Co. (1893) 149 U. S. 562, 13 S. Ct. 966; Singer Mfg. Co. v. June Mfg. Co. (1896) 163 U. S. 169, 16 S. Ct. 1002.

press or tacit, the identifying and generic name of the thing patented, this name passes to the public with the cessation of the monopoly which the patent created. Where another person avails himself of the public dedication to make the machine and use the generic designation, he can do so in any form with the fullest liberty, subject to the condition that the name must be so used as not to deceive the public, and deprive others of their rights. Hence, the name must be accompanied by such indications that the thing manufactured is the work of the one making it as will unmistakably inform the public of that fact.⁷⁵

The right to manufacture Castoria according to Pitcher's patented process or formula, and the right to sell the manufactured article under the name of "Castoria," became free to all the world after the expiration of the patent; but it was held that a new manufacturer, in placing it on the market, must clearly identify his goods, and not engage in unfair competition, or do anything to deceive the public by inducing it to purchase his goods under the belief that they were those it had been accustomed to purchase under the same name.⁷⁶

§ 229. Imitating Name of Newspaper.

A party will be restrained from assuming the name of a

⁷⁵ *Singer Mfg. Co. v. June Mfg. Co.* (1896) 163 U. S. 169, 16 S. Ct. 1002. See chapter 5, § 110. After the expiration of a patent, another manufacturer has the right not only to make and sell the article in the same form, but also to mark it with the same or similar name, if, in connection with such name, he places thereon his own name as manufacturer in such a way as to clearly distinguish the article from those made by the original manufacturer. *B. B. Hill Mfg. Co. v. Sawyer-Boss Mfg. Co.* (1901) 112 Fed. 144; *Rahtjen's American Composition Co. v. Holzappel's Composition Co.* (1900) 41 C. C. A. 329, 101 Fed. 257; *Holzappel's Composition Co. v. Rahtjen's American Composition Co.* (1901) 97 O. G. 958, 183 U. S. 1, 22 Sup. Ct. 6.

⁷⁶ *Centaur Co. v. Neathery* (1898) 34 C. C. A. 118, 91 Fed. 891.

newspaper belonging to another person for the fraudulent purpose of imposing upon the public, and of depriving the owner of the goodwill of his paper. But to entitle complainant to the interposition of a court of chancery, the name of the paper must be used in such a manner as to be calculated to mislead or deceive the public, and thus induce them to suppose that the paper printed by defendant is the same as that which was previously being published by the complainant, and thus injure its circulation and patronage.⁷⁷

§ 230. Fraudulent Imitation of Book Titles.

In an early case it was held that the goodwill and established trade of a publisher of books would be protected from injury by acts of deception or piracy.⁷⁸ In a recent case it appeared that the complainant had published a book entitled "Farthest North,—Nansen." It had been composed chiefly by Dr. Nansen in the Norwegian language, and translated into English. Afterwards defendants published a book under the name of "The Fram Expedition; Nansen in the Frozen World; Including Earlier Arctic Expeditions," which contained part of the same or of substantially the same literary matter as the complainant's book, and also a number of similar portraits or illustrations, together with an account of sundry earlier expeditions. It so differed from the complainant's book, however, in cover, outside title, and title page, that no one of ordinary intelligence could mistake one for the other. It was held that, in the absence of proof that defendants had practiced fraud or deception in the sale of the book, the

⁷⁷ Bell v. Locke (1840) 8 Paige (N. Y.) 75. In *Barthwick v. Evening Post*, 58 Law T. 252, 37 Ch. Div. 447, it was held that a person who started a paper known as the "Evening Post" was guilty of unfair competition with the proprietors of the "Morning Post."

⁷⁸ Snowden v. Noah (1825) Hopk. Ch. (N. Y.) 396.

complainant was not entitled to an injunction on the ground of unfair competition. The court said: "This is an appeal from the decree of the circuit court for the Eastern district of Pennsylvania, dismissing the bill of the appellant, complainant below. The bill charges unfair competition in trade and violation of certain alleged copyrights. The case was before this court several terms ago⁷⁹ on an appeal from an interlocutory decree awarding a preliminary injunction. On the evidence then submitted the court held that the complainant had failed to sustain its bill on either ground, and accordingly reversed the decree. The case is now before us on plenary proofs. The appellant has on the market for sale a book entitled, on its outside cover, 'Farthest North. Nansen,' which consists of an English translation of an account of the recent Norwegian polar expedition conducted by Dr. Fridtjof Nansen, composed by him in the Norwegian language, and of the report of Otto Sverdrup, relating to the drifting of the steamer Fram, composed by the latter in the Norwegian, and translated into the English, language. The appellees publish and sell a book entitled, on its outside cover, 'The Fram Expedition. Nansen in the Frozen World. Including Earlier Arctic Explorations,' containing part of the same or of substantially the same literary matter found in the appellant's book; also portraits and pictorial illustrations similar to those made use of by the appellant, and accounts of sundry Arctic explorations prior to Dr. Nansen's polar voyage. The book of the appellees so differs from that of the appellant in cover, outside title, and title page that no one of ordinary intelligence seeing both of them could confound the two. * * * If it were true that the appellees had practiced fraud or deception in palming off their book as the book of the appellant, an injunction undoubtedly would lie against such unfair and

⁷⁹ Lare v. Harper & Bros. (1898) 30 C. C. A. 373, 86 Fed. 481.

fraudulent conduct, but it would by no means follow that the injunction should be so broad as wholly to suppress the publication and sale of a book which the appellees would have a right to put on the market by fair and proper means. On the evidence, however, we are not satisfied that the appellees have practiced fraud or deception in the sale of their book.”⁸⁰

In a recent case in Pennsylvania it appeared that the plaintiffs, who were the owners of a copyright of E. P. Roe’s novels, had published a cheap paper edition, which they sold to the trade at fifty cents, and a fine cloth-bound edition, which sold

⁸⁰ Harper & Bros. v. Lare (1900) 43 C. C. A. 182, 103 Fed. 203. In *Munro v. Tousey* (1891) 129 N. Y. 38, 14 L. R. A. 245, the court said: “That the plaintiff would be entitled to the protection of the law against the use by others of the words ‘Old Sleuth Library,’ as used to describe a series of publications, or against the use of the name, ‘Old Sleuth, the Detective,’ for a work of fiction, may be conceded. That is plainly right, and, in order to afford a protection more adequate than would be afforded by an action at law, the equity power of the courts might be successfully invoked to restrain a similar use by others of such names, and to prevent a species of literary piracy. This power is exerted upon the same principle upon which the court acts in trade-mark cases in restraining the unauthorized use of the label or sign constituting the trade-mark. The theory upon which a court of equity has long acted is that a resemblance in, or an imitation of, the names, signs, or marks, under which another conducts a business, is a deception practiced upon the public, and an injury to the proprietor in the loss of custom and patronage, to redress which an action at law for damages is not a sufficiently satisfactory remedy. That is the principle we may extract from the often-cited opinions of Lord Eldon in *Hogg v. Kirby* (1803) 8 Ves. 215, of Lord Langdale in *Knott v. Morgan* (1836) 2 Keen, 213, and of our own chancellors in the early cases of *Snowden v. Noah* (1825) Hopk. Ch. (N. Y.) 347, and of *Bell v. Locke* (1840) 8 Paige (N. Y.) 75. A publication is the subject of property, and there is no reason why, like every other kind of property, it should not be the subject of the law’s protection. To put out a colorable imitation of it, by which the public may be easily misled into supposing that it is the literary article they had in mind to obtain and read, is an act of deception which injures the publisher.”

for one dollar and fifty cents. The defendants bought a large consignment of the cheap paper edition, bound the books in cloth, in imitation of the plaintiff's cloth-bound edition, and sold them to the trade at forty cents per volume. After defendants had sold a large number of copies, the plaintiffs filed a bill in equity for an injunction restraining the sale of the cheap paper edition that was rebound in imitation of its cloth-bound edition, and for an accounting. A preliminary injunction was refused.⁸¹ In another case the plaintiff had announced that he was engaged in the preparation of a life of William McKinley, and issued a circular in which he called attention to the fact that the work he was then preparing was not to be confounded with a previous campaign life of McKinley, which had been written by him. The publishers of the previous life issued a circular to the trade, in which the statements of the plaintiff's announcement were so arranged in connection with other matter as to be misleading, and it was held that the distribution of such circular would be enjoined.⁸²

§ 231. Unpatented Medicinal Preparations.

The rule is settled that any person who lawfully acquires a knowledge of the composition of an unpatented medicinal preparation may legally manufacture and sell the same, unless he has obtained the knowledge under such circumstances as to constitute a breach of confidence or good faith. Having the right to manufacture the article, he may also publish the fact that his product is made in accordance with the original formula therefor.⁸³

⁸¹ *Dodd v. Smith* (1891) 144 Pa. 340.

⁸² *Halstead v. Houston* (1901) 111 Fed. 376.

⁸³ *Watkins v. Landon* (1893) 52 Minn. 389, citing many cases.

§ 232. Acts Induced by Plaintiff.

Where the alleged fraudulent acts of misrepresentation on the part of the defendant were induced by plaintiff, they cannot be availed of in a suit for an injunction. Thus, where an agent of the complainant, who was a manufacturer, purchased an article of a saleswoman in the defendant's store, and, after being distinctly told that it was not of complainant's manufacture, by false statements to the clerk induced her, for the purpose of obliging him, to mark the sale bill, which was delivered to him, so as to indicate that the article was of the complainant's make, it was held that the complainant could not avail himself of such fact as evidence in support of a claim that defendant sold its goods as those of the complainant.⁸⁴

III. USE OF PERSONAL NAME.

§ 233. In General.

A man's right to the use of his own name in his business is subject to the proviso that he use it honestly. The law will not permit a person to use even his own name for the purpose of imposing upon the public, to the injury of the property rights and business of a rival.^{84a} So long as he acts fairly and honestly, a man may use his own name in his business, although he thus incidentally interferes with and injures the business of another having the same name. In such case the inconvenience or loss to which those having a common right are subjected is *damnum absque injuria*. Although a party may thus use his name, he cannot resort to any artifice or do any act calculated to mislead the public as to the identity of the business or of the articles produced, and thus cause injury

⁸⁴ Gorham Mfg. Co. v. Emery-Bird-Thayer Dry Goods Co. (1899) 92 Fed. 774.

^{84a} See ante, c. 2. §§ 41-47; ante, c. 8. §§ 161, 164, 172, 181.

to the other beyond that which results from a mere similarity in name.⁸⁵ "While it is true," said Judge Sage, "that every man has a right to use his own name in his own business, it is also true that he has no right to use it for the purpose of stealing the goodwill of his neighbor's business, nor of committing a fraud upon his neighbor, nor a trespass upon his neighbor's rights or property; and while it is true that every

⁸⁵ *Singer Mfg. Co. v. June Mfg. Co.* (1896) 163 U. S. 169, 16 S. Ct. 1002; *Russia Cement Co. v. Le Page* (1888) 147 Mass. 206, 17 N. E. 304; *Duryea v. National Starch Mfg. Co.* (1897) 25 C. C. A. 139, 79 Fed. 651; *Pillsbury v. Pillsbury-Washburn Flour Mills Co.* (1894) 24 U. S. App. 395, 12 C. C. A. 432, 64 Fed. 841; *Lawrence Mfg. Co. v. Tennessee Mfg. Co.* (1891) 133 U. S. 537; *Brown Chemical Co. v. Myer* (1887) 31 Fed. 453, (1891) 139 U. S. 540, 11 S. Ct. 625; *Coats v. Merrick Thread Co.* (1893) 149 U. S. 562; *Charles S. Higgins Co. v. Higgins Soap Co.* (1895) 144 N. Y. 462, 39 N. E. 490, 27 L. R. A. 42, 43 Am. St. Rep. 769; *Gilman v. Hunnewell* (1877) 122 Mass. 139; *Meneely v. Meneely* (1875) 62 N. Y. 427; *England v. New York Pub. Co.* (1878) 8 Daly (N. Y.) 375; *Rock Springs Distillery Co. v. Monarch* (1893) 15 Ky. Law Rep. 866, 22 S. W. 1028. A man may use his own name in connection with any business he honestly desires to carry on, but he will not be allowed to use his name so as to work an injury to another having the same name, nor to perpetrate a fraud on the public. To prevent such injury, equity will direct how he shall use his name to indicate his own individuality. *Walter Baker & Co. v. Baker* (1896) 77 Fed. 181. A person is entitled to sell his own product under his own name, either individually or in connection with a partner, but in so doing he must be careful not to do anything calculated to delude the public into the belief that his goods are those of another having the same name. *Allegretti Chocolate Cream Co. v. Keller* (1898) 85 Fed. 643. "Disguise defeats the very end and object of legitimate competition, which is the free choice of the public. One may not legally use means, whether marks or other indicia, or even his own name, with the purpose and to the end of selling his goods as the goods of another. If such means tend to attract to himself the trade that would have flowed to the person previously accustomed to use them, their use will be restrained by the law." *Pillsbury v. Pillsbury-Washburn Flour Mills Co.* (1894) 24 U. S. App. 395, 12 C. C. A. 432, 64 Fed. 841.

man has a right to use white paper, it is also true that he has no right to use it for making counterfeit money, or committing a forgery. * * * It has been held, with reference to trade-marks, that a man has not the right to use even his own name so as to deceive the public, and make them believe that he is selling the goods of another of the same name."⁸⁶ In another case the rule was thus stated: "While

⁸⁶ *Wilson v. T. H. Garrett & Co.* (1896) 47 U. S. App. 250, 24 C. C. A. 173, 78 Fed. 472. In *Peck Bros. & Co. v. Peck Bros. Co.* (1902) 51 C. C. A. 251, 113 Fed. 291, it appeared that Peck Bros. & Co., as a corporation, had been engaged in the manufacture of brass and plumbers' goods for thirty years. It became embarrassed, and passed into the hands of receivers, who continued the business until, under an order of court, the entire property, goodwill, trade-mark, etc., was sold to a committee, who represented the stockholders, for the purpose of reorganization under the name of Peck Bros. & Co. Prior to the receivership the corporation had maintained a branch office at Chicago, which was in charge of three stockholders, one of whom was named Peck. While the receivership was pending in Connecticut, with an ancillary receiver of the Chicago property, the Chicago parties procured a charter in that state for the incorporation in that state of a corporation under the name of the Peck Bros. Co. In this corporation the ancillary receiver became a stockholder, while still acting as receiver. The new company purchased the Chicago stock, but did not acquire the goodwill of the business. The companies continued to do business in the same territory, with resulting confusion of goods, owing to the similarity of names. Upon these facts it was held that the new company was guilty of unfair competition, and that the old company was entitled to an injunction. Judge Jenkins said: "Upon the evidence in this case we think we are warranted in saying of this defendant, as we had occasion to say of another corporation under circumstances not dissimilar, that 'it was conceived in sin, and brought forth in iniquity; that wrong attended at its birth, and that fraud stood sponsor at its christening, imposing upon the corporate child a name to which it was not entitled, and which it had no right to bear.' *Kathreiner's Malzkaffee Fabriken Mit Beschraenker Haftung v. Pastor Kneipp Medicine Co.* (1897) 27 C. C. A. 351, 82 Fed. 321. * * * It is now so well settled, both by the decisions of the supreme court and of this court, that the wrongful use of

the right can be denied to no one to employ his name in connection with his business, or in connection with articles of his own production, so as to show the business or product to be his, yet he should not be allowed to designate his article by his own name in such way as to cause it to be mistaken for the manufacture or goods of another already on the market under the same or a similar name. Whether it be his name or some other possession, every one, by the familiar maxim, must so use his own as not to injure the possession or right of another."⁸⁷

The cases in which a person has been enjoined from using his own name in connection with labels and brands on his own goods proceed upon the general ground of deceit and unfair

one's own name, to the injury of another, which results in the palming off upon the public his goods as the goods of that other, will be restrained, that it is not needful to review the authorities. We need only refer to a few. *Elgin National Watch Co. v. Illinois Watch Case Co.* (1901) 179 U. S. 665, 21 S. Ct. 270; *Pillsbury v. Pillsbury-Washburn Flour Mills Co.* (1894) 12 C. C. A. 432, 64 Fed. 841. While one may have the right to use his own name honestly in his own business for the purpose of advertising, he cannot resort to any artifice or do any act calculated to mislead the public as to the identity of the business, firm, or establishment, or the article produced, and thus work injury beyond that which results from mere similarity of names. *Brown Chemical Co. v. Meyer* (1891) 139 U. S. 540. Here the artifice consisted not in using one's own name, but in assuming falsely the name 'Peck Bros.,' there being no brothers of that name in the corporation. The name manifestly was thus assumed for the purpose of obtaining the goodwill of the established business of the Connecticut corporation."

⁸⁷ *Meyer v. Dr. B. L. Bull Vegetable Medicine Co.* (1893) 18 U. S. App. 372. See, also, *Nolan Bros. Shoe Co. v. Nolan* (1900) 131 Cal. 271, 53 L. R. A. 384; *Le Page Co. v. Russia Cement Co.* (1892) 2 C. C. A. 555, 51 Fed. 941, 17 L. R. A. 354; *Russia Cement Co. v. Le Page* (1888) 147 Mass. 206, 17 N. E. 304; *Knoedler v. Glaenzer* (1893) 5 C. C. A. 305, 55 Fed. 895, 20 L. R. A. 733; *Charles S. Higgins Co. v. Higgins Soap Co.* (1895) 144 N. Y. 462, 27 L. R. A. 42; *Bingham School v. Gray* (1898) 122 N. C. 699, 41 L. R. A. 243; *Harson v. Halkyard* (1900) 46 Atl. 271.

competition. A person may thus be restrained from using his own name on his own goods because, under the circumstances, it will deceive the public into purchasing his goods under the belief that they are the goods of another.⁸⁸ But a manufacturer cannot, by extensively advertising his name in connection with goods made by him, acquire the right to prevent another person of the same name from selling similar goods under that surname, when such other person has for years been engaged in the manufacture of the same articles, and puts his full name on his labels. Thus, where it appeared that Eli Pettijohn had for many years been more or less successfully engaged in the manufacture of a breakfast food, the court said: "It can hardly be contended that he had not then the right to make or rather to continue making, rolled wheat, and to market the same in packages bearing his name, in any part of the United States. Neither complainant nor its assigns could, by advertising the name 'Pettijohn,' prevent Eli Pettijohn from doing this. It would seem to follow, also, that he might secure the co-operation of others willing to assist him financially in the business, and that he might, with such co-operation, form a corporation for the purpose of carrying on such business; provided, always, he should take reasonable precautions to distinguish the business thus carried on by him from that of a competitor rightfully using the name 'Pettijohn'."⁸⁹

⁸⁸ Pillsbury-Washburn Flour Mills Co. v. Eagle (1898) 30 C. C. A. 386, 86 Fed. 608; Garrett v. T. H. Garrett & Co. (1896) 24 C. C. A. 173, 78 Fed. 472; Croft v. Day (1843) 7 Beav. 84; Holloway v. Holloway (1850) 13 Beav. 209; Wotherspoon v. Currie (1872) L. R. 5 H. L. 508; Thompson v. Montgomery (1889) 41 Ch. Div. 35; Howard v. Henriques (1851) 3 Sandf. (N. Y.) 725; Meneely v. Meneely (1875) 62 N. Y. 427; Lawrence Mfg. Co. v. Tennessee Mfg. Co. (1891) 138 U. S. 537; Brown Chemical Co. v. Meyer (1891) 139 U. S. 540; Coats v. Merrick Thread Co. (1893) 149 U. S. 562. See, also, Sterling Remedy Co. v. Eureka Chemical & Mfg. Co. (1897) 46 U. S. App. 714.

⁸⁹ American Cereal Co. v. Eli Pettijohn Cereal Co. (1896) 72 Fed. 903.

§ 234. Limitations—Where Name Indicates Source of Manufacture.

We thus have the rule that a person who is entitled to sell his own products under his own name, either individually or in connection with a partner, must, in so doing, be careful not to do anything calculated to delude the public into the belief that his goods are those of another having the same name. If the latter has first acquired a reputation for a particular kind of goods, the former may be enjoined from selling like goods except in connection with a clear statement indicating that they are not the goods of the latter. Equity will thus direct how a man shall use his name for the purpose of indicating his own individuality.⁹⁰ Where a personal name has come to indicate the source of manufacture of a particular article or device, the use of such a name by another person of the same name, unaccompanied with any precaution or indication, in itself amounts to an artifice which is calculated to produce deception.⁹¹

⁹⁰ *Allegretti Chocolate Cream Co. v. Keller* (1898) 85 Fed. 643. The court said: "The court of appeals in this [second] circuit, following the English courts, has formulated a convenient rule applicable to cases of this kind." *Walter Baker & Co. v. Sanders* (1897) 26 C. C. A. 220, 80 Fed. 889; *El Modello Cigar Mfg. Co. v. Gato* (1890) 25 Fla. 886, 7 So. 23; *Massam v. Thorley's Cattle Food Co.* (1880) 14 Ch. Div. 748, 42 Law T. (N. S.) 851.

⁹¹ *Stuart v. F. G. Stewart Co.* (1899) 33 C. C. A. 480, 91 Fed. 243; *Singer Mfg. Co. v. June Mfg. Co.* (1896) 163 U. S. 169, 16 S. Ct. 1002; *Mossler v. Jacobs* (1896) 66 Ill. App 571. As to the right to the use of one's own name, see note to *Kathreiner's Malzkaffee Fabriken Mit Beschraenkter Haftung v. Pastor Kneipp Medicine Co.* (1897) 27 C. C. A. 357, 82 Fed. 321. Also, note to *R. W. Rogers Co. v. Wm. Rogers Mfg. Co.* (1895) 17 C. C. A. 579, 70 Fed. 1017. In *Landreth v. Landreth* (1884) 22 Fed. 41, the rule was thus stated: "Of course

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§ 235. The Singer Case.

In the well-known Singer Sewing Machine Case⁹² it appeared that the machines were covered by patents which gave to the manufacturers a substantial monopoly, and that, in consequence of the enjoyment of this monopoly by the makers, the name "Singer" came to indicate in its primary sense, to the public, the class and type of machines made by the Singer company or corporation, and that this name constituted their generic description. As this name applied to and described machines made alone by the Singer firm or corporation, the use also came to convey to the public mind the machines made by such particular firm or corporation. It also appeared that the word "Singer" was applied by the Singer firm or corporation as a designation of a general type of machines made by them, with the intention that such machines should be accepted by the public under that name. This course of business, and the purpose for which the name "Singer" was used, brought about results identical with those which spring from the existence of a monopoly, and that name became not only descriptive of the machine, but also, in a subordinate sense, an indication of the source of manufacture.

The scope of this decision is stated in a recent case.⁹³

a party cannot be debarred from the right to honestly use his own name in advertising his goods and putting them on the market; but where other persons, bearing the same surname, have previously used the name in connection with their goods in such manner and for such length of time as to make it a guaranty that the goods bearing the name emanate from them, they will be protected against the use of that name, even by a person bearing the same name, in such form as to constitute a false representation of the origin of the goods." See *Hainque v. Cyclops Iron Works* (1900) 136 Cal. 351; *Nolan Bros. Shoe Co. v. Nolan* (1900) 131 Cal. 271.

⁹² *Singer Mfg. Co. v. June Mfg. Co.* (1896) 163 U. S. 169, 16 S. Ct. 1002. See ante, § 110.

⁹³ *Singer Mfg. Co. v. Hipple* (1901) 109 Fed. 152.

It appeared that the defendant was engaged in selling sewing machines which she caused to be marked, "High-Armed Philadelphia Singer." The complainant claimed that this use of the word "Singer" violated its rights, as the word was adopted by one of its predecessors in the business about fifty years ago, and had since been continuously used by it, and those under which it claims, "to identify the machines manufactured by the complainant and its predecessors, and to distinguish them from machines of all other manufacturers." The defendant claimed that she was within the decision in *Singer Mfg. Co. v. June Mfg. Co.* The court said: "There a case of conflicting rights was presented, neither of which was ignored or disregarded. It was held, it is true, that the right to deal in a machine involves the right to designate it by the name by which it has become known to the public, even where that name, in a subordinate sense, is indicative of the source of manufacture. But from the opinion and judgment it also clearly appears that, although a manufacturer who has voluntarily applied the same word both to designate the machine made and himself as its maker cannot preclude others, who have the right to trade in it, from marking it with the name it has thus acquired, yet they must not do so 'without clearly and unmistakably specifying, in connection therewith,' that every such machine is the product of the actual manufacturer thereof, and therefore not the product of the manufacturer who otherwise would be indicated. In short, the principle of that decision is not that the first user of a mark indicative of origin forfeits his exclusive right thereto for that purpose by allowing it to be applied for the additional purpose of designating the thing itself, but that his monopoly for one purpose cannot be so enforced as to nullify the general right to apply it for the other. If, therefore, defendant's article were in fact a 'Singer' ma-

chine, she would be at liberty to so designate it, provided she also clearly and unmistakably specified that it was not the product of the Singer company; but the evidence, as I view it, is against her on the main point, and therefore her manner of marking need not be considered. The machine which she put on the market is not a 'Singer.' That word is not, as a name for it, either necessary or appropriate; nor can I accede to the contention that her machine is a developed or improved 'Singer,' for the proof is that it is of a distinct type, which is and long has been known as the 'Domestic.' Consequently, the defendant's employment of the word 'Singer' can have but one result, and that is, not to correctly identify the thing itself, but to mislead the public as to its source of origin, and, this being so, the decision in *Singer Mfg. Co. v. June Mfg. Co.* does not support, but subverts, her present position."

§ 236. Illustrations.

There are many cases which illustrate the rule that a court of equity will not permit a person to use his own name for the purpose of fraudulently interfering with the business of another. Thus, a preliminary injunction was awarded to restrain the sale of root beer under the name of "Hires," where it appeared that the defendant was a kinsman of the complainant, that he had the same name, and that he intended to sell root beer under the name of "Hires," and in packages and under labels similar in general appearance to those of the complainant, and manifestly intended to deceive the public and mislead purchasers.⁹⁴

In another case the plaintiff's corporate name was "De Youngs," which it had long and successfully used in business. The defendant's real name was "Jung," but he assumed the business name of "The Youngs," and engaged in a

⁹⁴ *Charles E. Hires Co. v. Hires* (1897) 182 Pa. 346.

similar business to that of the plaintiffs, located his business in the same city and street, within one block of the plaintiffs (the two business places bearing nearly the same number), assumed a similitude of business signs and advertising devices displaying the name "Youngs" in script, with a heavy dash underneath, and only differing from plaintiff's signs and advertising devices in the prefix "The" substituted for "De." It was held that the defendant evidently designed to avail himself of the advantages accruing from the plaintiff's use of its corporate name of "De Youngs" as a trade-name in a business of established integrity and good repute by practicing an artifice on unwary persons who intended to present themselves as patrons of plaintiff's establishment, to the injury of the plaintiff. Plaintiff was granted an injunction *pendente lite* restraining the defendant from using the name "Young" or "Youngs" directly or indirectly in connection with the business of making or vending photographic art products in any manner calculated or intended to convey the impression that such business was identical with plaintiff's business of making photographic art products, carried on under the name of "De Youngs." In particular, the defendant was restrained from using the name "Young" or "Youngs" in script, with the prefix "The," or one with a like sound, with or without a dash underneath such name, on signs, circulars, letter heads, envelopes, cards, or other advertising medium in connection with such business, and from representing his business, and from suffering the same to be represented by his agents or employes, as identical with the business of "De Youngs."⁹⁵

So, where a manufacturer gave his name to his goods, which became known to the trade and commerce as "Baker's Chocolate," "Baker's Cocoa," and "Baker's Breakfast Cocoa,"

⁹⁵ De Youngs v. Jung (1893) 25 N. Y. Supp. 479.

it was held that another person, bearing the name of "Baker," could not use, to designate his goods, the same combination of words, with or without the addition of other words or names, although he might use his own name in connection with other matter which was sufficient to distinguish his goods from those of the other manufacturer.⁹⁶

Where complainant had for a number of years manufactured and sold a medicinal preparation under the name of "Stuart's Dyspepsia Tablets," and by extensive advertising built up a large trade, and, after the remedy had become widely known, one of the defendants, whose name was Stewart, organized a corporation which commenced the manufacture and sale of a preparation under the name of "Dr. Stewart's Dyspepsia Tablets," it was held that the question was one of fraud, actual or constructive, and that the facts showed a design on the part of the defendant to appropriate the complainant's goodwill, and to impose its manufactured articles upon the public as those of the plaintiff's.⁹⁷

One Duryea and his brothers were the controlling members of the "Glen Cove Mfg. Co.," which for a number of years had made and sold starch in packages bearing in prominent letters "Duryea's Starch." A picture of the manufacturing buildings, together with the name of the corporation, also appeared on the packages, and the starch and the corporation became identified with each other. Thereafter the business was sold to another corporation, the "National Starch Mfg. Co.," of which Duryea became the president, and which continued the use of the words and pictures in connection with its own name. Duryea subsequently withdrew from the company, and furnished capital to two of his sons, who, together

⁹⁶ Walter Baker & Co. v. Baker (1898) 87 Fed. 209. See, for this case on appeal, 115 Fed. 297, and post, § 239.

⁹⁷ Stuart v. F. G. Stewart Co. (1899) 33 C. C. A. 480, 91 Fed. 243.

with two other persons of different names, formed the firm of "Duryea & Co.," without any imitation of labels or packages. It was held that this was a proper use by Duryea and his sons of their own names.⁹⁸

In another case it appeared that the defendants had been the former agents of the firm of R. Heinisch's Sons, who were the complainant's assignors. That firm enjoyed a high reputation as manufacturers of shears, when H. C. Heinisch withdrew therefrom, conveying to it all his interest in the property, assets, and business. Defendants subsequently, in a contract with that firm, had admitted that it was "the sole owner of the H. trade-mark." Afterwards, the defendants entered into a contract with said H. C. H., by which they ostensibly acquired, among other things, the right to the use of his name upon all of their goods; and at once began to make and sell shears stamped with his name. They were packed in a manner similar to the complainant's goods, and were so labeled as to lead the ordinary purchaser to believe them to be the same. At the same time, defendants continued to use, at the doorway of their store, two signs having thereon "R. Heinisch's Sons," and to use postal cards notifying dealers that they were "Sole Agents for R. Heinisch's Sons' Shears." It appeared that nothing had been done under any clause of defendant's contract with said H. C. H. except that one purporting to convey the right to use his name. It was evident that the real object of the contract was to acquire the claim to that name under cover of the other clauses. It was held that the circumstances clearly indicated a fraudulent intent, and that the complainant was entitled

⁹⁸ Duryea v. National Starch Mfg. Co. (1897) 25 C. C. A. 139, 79 Fed. 651; Stuart v. F. G. Stewart Co. (1898) 85 Fed. 178.

to an injunction against the use of the name, and to an accounting."⁹⁹

In another case it appeared that the plaintiff was the owner and manufacturer of a soap known to the public under the names of "Charles S. Higgins' German Laundry Soap," "Higgins' German Laundry Soap," and "Higgins' Laundry Soap." The defendant, D., subsequently organized a company, to which he procured one Walter A. Higgins to give his name, and thereafter manufactured, and permitted the Amalga Soap Company to manufacture, the soap under the name of "Walter Higgins' Turkish Laundry Soap," which was put up in packages similar in size and shape to those of the plaintiff, and bore similar devices, except as to the name, and the picture of a Turk smoking his pipe in place of that of a colored woman at the washtub. It was held that there was such imitation of the plaintiff's soap as was calculated and designed to deceive the public, and that an injunction to restrain the use of the wrappers similar to those of the plaintiff, and the use of the word "Higgins" in designating the soap made by defendants, was properly granted.¹⁰⁰

⁹⁹ R. Heinisch's Sons Co. v. Baker (1898) 86 Fed. 765.

¹⁰⁰ Charles S. Higgins Co. v. Amalga Soap Co. (1894) 10 Misc. Rep. (N. Y.) 268; International Silver Co. v. Simeon L. & George H. Rogers Co. (1901) 110 Fed. 955, is one of the numerous cases in which the Rogers' trade-marks have been considered. The historical facts are too extensive to be here stated, but are fully set forth in R. W. Rogers Co. v. Wm. Rogers Mfg. Co. (1895) 17 C. C. A. 576, 70 Fed. 1017. Briefly, it appears that, about forty years ago, three brothers by the name of Rogers composed a firm in Connecticut under the style of "Rogers Bros." This firm acquired a high reputation for the quality of silver-plated ware, upon which the name of "Rogers Bros." was stamped. A corporation called the "William Rogers Mfg. Co." was the successor of the business established in 1865 by William Rogers, one of these brothers, and after 1872 it was engaged in manufacturing and selling silver-plated ware, and continued the trade-marks on such goods which its predecessors

§ 237. Family Name—Relationship to Original Manufacturer of Article.

No special right to the use of a family name which has become a trade-mark applied to a manufactured article accrues by virtue of the relation which the descendants bear to the original manufacturer of the same name; such descendants being entitled to no other than their natural rights to the use of their own names in the transaction of their own business. In a late case it appeared that the defendants were engaged as selling agents for typewriters, which were sold to the trade under the name of "Remington-Sholes," and manufactured by a corporation which was organized by the descendants of the original Remingtons. The right to the use of the name had been sold to the plaintiff. These descendants of the original

adopted in 1866. Two other corporations acquired from one or more of these brothers the right to use the name Rogers. In 1898 the International Silver Company acquired the entire capital stock and properties of fourteen silver-plating corporations, including the patents and ownership of all their trade-marks, so that it owned and controlled the business of all the original Rogers companies. After the organization of this consolidated company, a corporation was organized in Maine under the name of the "Rogers Bros. Mfg. Co.," and a small portion of its stock was held by parties by the name of Rogers, who were the sons of one of the three brothers, who composed the original firm of Rogers Bros. One of the parties had never been connected with the silver-plating business, and the other merely as a workman upon wages by the day or week. In its advertising matter, and on its labels and wrappers, this company displayed the names of S. L. and G. K. Rogers, with a statement that they were "the only real Rogers Bros.," and that the goods were the "real Rogers goods." It was held that this was clearly done for the purpose of conveying the impression to the public that it was the manufacturing successor of the original firm, and hence constituted unfair competition, against which the complainant, as the actual successor to such business, was entitled to an injunction. The corporation was allowed to use its corporate name, but was enjoined from marking the goods with any mark in which the name Rogers was prominent.

manufacturers became members of a corporation which made a typewriter under the names of the "Sholes," which was then changed to the "Remington-Sholes." As the ultimate purchaser of the typewriters might be led to think that the addition of the name "Sholes" was a new style of the old machine, coming from the same source, the use of the name "Remington" was held to be an attempt to deceive the public, and was therefore unwarranted. The court said: "Upon well-established principles, one has no right to push his wares as those of another. This would ordinarily be an actionable wrong at law, repetition of which, to save multiplicity of suits for repeated wrongs, would be restrainable in equity. That these Remingtons are descendants of one of the original Remingtons, and Sholes a descendant of an inventor of some part of the original typewriters, is set up and relied upon as establishing a right to the use made of the name 'Remington-Sholes' in this connection. No right descended, however, in these respects, from any of these ancestors to any of these persons, and this excuse has no legal foundation, but is entirely sentimental. They were situated as to this as any other persons of the same names would have been, with no standing but their own natural rights to the use of their own names in the transaction of their business. That all persons have respectively the right to use their own names in their own business is entirely clear, but this right is subject to the limitation common to all rights,—that it is to be so used as not to injure the rights of others. These Remingtons were not themselves manufacturers of typewriters, and did not start in as nor become such in their own names, nor have they had their own names put upon machines of their own make; but they gave their name to a large corporation as a distinct entity, which took the name into its typewriter business, and put it upon the machines of that corporation, whereby they under-

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took to confer the right to the use of that name upon that entity for the benefit of others who had no right to use it at all. This was not a legitimate exercise of the natural right to use their own name in their own business, but was an attempt to exercise a fictitious right to use the name in, to a great part, other's business. This was going far beyond their own rights, and was an undertaking to give what they did not have, and their own natural right to the use of their own name in their own business became thereby so mingled with the unlawful use of it for the benefit of others that it is indistinguishable here. They lost their identity in that of the corporations. Connecting the name 'Sholes' with 'Remington' in the business and on the machines would not or might not adequately indicate to a purchaser who had known or heard of the Remington typewriters, and wanted one, that these were not original Remingtons, such as were wanted."¹⁰¹

§ 238. Personal Name as Part of Corporate Name.

Parties who organize a corporation for the manufacture and sale of a particular article are not entitled to use, as their corporate name in that business, the name of one of their number, when such name is intentionally selected for the purpose of competing with an established firm of the same name, and diverting the latter's trade to themselves by confusing the identity of their products, and thus leading purchasers to buy the goods of one for those of the other.¹⁰²

So, where a corporation which was organized to manufac-

¹⁰¹ Wyckoff v. Howe Scale Co. of 1886 (1901) 110 Fed. 520. See chapter 3, § 41.

¹⁰² International Silver Co. v. Wm. G. Rogers Co. (1902) 113 Fed. 526; R. W. Rogers Co. v. Wm. Rogers Mfg. Co. (1895) 17 C. C. A. 576, 70 Fed. 1017. See chapter 8, § 172. See cases cited in next section. Medlar & Holmes Shoe Co. v. Delsarte Mfg. Co. (1900) 46 Atl. 1089.

ture and sell snuff, assumed the name of an employe who had a few shares of stock, for the evident purpose of appropriating the trade of others of the same name, who had established a business in the same article, it was held that such corporation would be enjoined from using the name of such employe as part of the corporate name or of the business.¹⁰³

§ 239. Incorporation under Personal Name.

Prior to 1894, the concern of Walter Baker & Co. manufactured chocolates and cocoas which had become well known throughout the country. The word "Baker," when applied to these articles, had come to represent to purchasers, generally, the product of Walter Baker & Co., and had become a trade-name of such value in the commerce of those articles that various persons of the name of Baker were led to engage in the making and selling of them, in the expectation of marketing them as the products of the original concern. In 1894 the complainant, for this purpose, commenced the manufacture and sale of chocolates and cocoas at Winchester, Va., which he put on the market as those of W. H. Baker & Co. The packages simulated, in various respects, those of Walter Baker & Co. In 1897, in a suit brought against him by the successors of the original concern, he was enjoined from using in his business the name "Baker" or "Baker's" alone on the labels, wrappers, advertisements, etc., or the name "W. H. Baker & Co.," and was required to insert in lieu thereof the name "W. H. Baker, of Winchester, Va.," and also, in as prominent type, the statement, "W. H. Baker is distinct from the old chocolate manufacturer, Walter Baker & Co." In August, 1899, the defendant commenced the manufacture and sale of chocolates and cocoas at Syracuse, N. Y., be-

¹⁰³ Garrett v. T. H. Garrett & Co. (1896) 24 C. C. A. 173, 78 Fed. 472.

ing partly induced thereto, as complainant had been, by the expectation of profiting by the trade-name of "Baker," but also in part by the hope of diverting to himself some of the business of the complainant, as the articles were put on the market as those of William H. Baker. He employed, as his managing agent, a person who had been formerly in the employ of Walter Baker & Co., and who had subsequently been employed by the complainant. Through him he was able to approach the customers of complainant, and, to do so more effectually, he issued circulars simulating the circulars of the complainant, which were calculated to lead parties to believe that orders sent to him would be filled by complainant. On his circulars and labels appeared a notice that "William H. Baker is distinct from the old chocolate manufactory of Walter Baker & Co.," but in both circulars and labels the place of business was given as Syracuse. In 1899 the complainant filed a bill in equity against the defendant, alleging unfair competition in trade, and seeking an injunction. In this action a preliminary injunction was granted, restraining defendant from using on his circulars, or on his packages, or in his business in any form, the words "W. H. Baker," or "William H. Baker is distinct from the old chocolate manufactory of Walter Baker & Co.," but permitting it to use "William H. Baker," conjoined with "Syracuse." The action proceeded to an interlocutory decree, by which the preliminary injunction was made perpetual, and an accounting ordered. While this action was pending, defendant changed its business methods to conform to the requirements of the preliminary injunction, and also arranged his advertisements, packages, labels, etc., until they were approved by the successors of Walter Baker & Co., and then adopted as a trade-mark the words "Justice Brand," and a figure of Justice bearing the scales, and in all other respects differentiating the dress of his prod-

uct so as to minimize, as far as possible, the risk of confusion between them and those of the complainant. Before the final decree was entered, he transferred his business, which had become an extensive one, to a corporation which was organized under the laws of the state of New York, with the corporate name of "William H. Baker, Syracuse, N. Y." Thereafter the complainant filed a second bill in equity against the corporation, alleging unfair competition, and asking for an injunction and an accounting. The action on final hearing resulted in a decree dismissing the bill, and this was affirmed by the court of appeals. Wallace, Circuit Judge, said: "We are satisfied that substantial justice has been done by each of the two decrees. The complainant, notwithstanding he commenced business under false colors, and occupied a position which did not commend him to the very solicitous consideration of the court, was entitled to be protected in the circumscribed use of his own name, which had been accorded to him by a court of equity. He had no right to complain of the use by another of a rightful patronymic, and much less of the name of 'Baker' in selling the same class of products; but he has a right to complain if a competitor was endeavoring to palm off his own products as those of the complainant by the use of the same name, on misleading circulars or otherwise, and was entitled to be redressed. The evidence shows that the substantial grievance of the complainant is found in the conduct of William H. Baker at the inception and early in the history of his competition. This was remedied as to the future by the preliminary injunction in the first action. That injunction gave the full measure of relief to which the complainant, under the circumstances of the case, was entitled, except such a recovery for profits and damages as he might be found entitled to. * * * We have examined with care the evidence in the record of the second

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action to ascertain whether the defendant in that action has, by its circulars, its advertisements, or the dress in which its goods have been presented, done anything of which the complainant can reasonably complain, and we have found nothing, unless he has cause to complain of the use of its corporate name. A part of that name is the place of business, and every person who deals with the defendant is thereby notified that its business domicile is not the domicile of the complainant. If the name had been selected unnecessarily, or for the purpose of illegitimate competition with the complainant, we should not hesitate to enjoin its use.¹⁰⁴ But it was selected without any element of bad faith or unfair use. It was not a new name, and it represented a widely-known concern, engaged in a large business, which had acquired a valuable goodwill. For reasons of convenience, the owner concluded to reorganize the concern as a corporation, and, desiring to preserve the goodwill, he chose the name with which the goodwill was identified. He intended to remain the owner of the concern, and has remained its owner, as before. As regards the complainant, it is wholly immaterial whether the business is conducted as that of a corporation or that of an individual by the same description."¹⁰⁵

§ 240. Personal Name as Part of Label.

One of the leading cases upon the right of a person to the use of his own name is *Pillsbury v. Pillsbury-Washburn Flour Mills Co.*¹⁰⁶ In 1872 the firm of C. A. Pillsbury &

¹⁰⁴ *Wm. Rogers Mfg. Co. v. R. W. Rogers Co.* (1895) 66 Fed. 56; *Rogers v. Wm. Rogers Mfg. Co.* (1895) 17 C. C. A. 575, 70 Fed. 1019.

¹⁰⁵ *Baker v. Baker* (1902) 115 Fed. 297; *Nolan Bros. Shoe Co. v. Nolan* (1900) 131 Cal. 271.

¹⁰⁶ (1894) 24 U. S. App. 395, 12 C. C. A. 432, 64 Fed. 841.

Co., which for many years had been engaged in the business of manufacturing and selling flour in the city of Minneapolis, Minn., adopted a brand for identifying their high grade of wheat flour. It consisted of the words and letters, "Pillsbury's Best XXXX, Minneapolis, Minnesota," within a circle composed of two dotted lines, with the name "Pillsbury" appearing outside the circle on each side of the brand, and the words "Pillsbury's Best" repeated below the same. The flour put up under this brand had acquired a great reputation, and was sold and well known throughout Europe and America. In 1889 a corporation named "Pillsbury-Washburn Flour Mills Company, Limited," succeeded to the business of C. A. Pillsbury & Co., and acquired all its property, including trade-marks and brands. The members of the firm became largely interested in the corporation, and the business was continued successfully and on a large scale. The trade-marks and brands which had been used by C. A. Pillsbury & Co. were used, except that, a few years after the transfer to the corporation, it began to use on its sacks of flour the words "Pillsbury-Washburn Flour Mills, Ltd., Successors to," above the monogram "C. A. P. & Co." that had been used by the former firm upon its sacks. In 1893, L. F. Pillsbury, who resided in Illinois, and had never been engaged in the milling business, began to sell an inferior article of flour, which he purchased and put into sacks which bore the brand "L. F. Pillsbury's XXXX Best Patent Minnesota," surrounded by a circle composed of three dotted lines, with the name "Pillsbury" appearing outside of the circle on each side of the brand, and the words "Pillsbury's Best" repeated below the same in an arrangement similar to that used in the brand of the complainant, the only difference being the initials "L. F." in the simulated brand. The color of the

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sacks used, and of the letters on the two brands, were the same, and the corresponding letters, and the circles of dotted lines, were printed in ink of the same color. The word "Best," in red ink, was prominently displayed, and was arranged substantially the same in the two brands. It was held that the Pillsbury-Washburn Flour Mills Co., Limited, on the principle that a court of equity will protect against fraud, was entitled to enjoin L. F. Pillsbury from using the brand or device, or any colorable imitation thereof. Judge Jenkins, after stating the rule as to the use of a personal name, said: "It is without doubt true that flour brands are numerous, and that the general shape and style are necessarily similar, because the packages which contain the flour are necessarily of like shape and character; but the question is not whether there is a general similarity of the brands in form necessitated by the general similarity in the shape of the packages which contain flour, but whether here is such marked simulation and such conduct upon the part of the appellants in the marketing and sale of their goods as lead to the conviction that they deliberately and fraudulently sought to impose upon the public, and to palm off their own goods as the manufactured product of the appellee.

* * * There appears, we think, a studied attempt to simulate the brand of the appellee, and a studied design to incorporate in the brand of the appellants such differences only as should, upon close investigation, serve to distinguish it from the brand of the appellee, which differences would not be observed by the ordinary purchaser. * * *

The question, however, is of resemblances, not differences. A test which applies only after the deviations have been pointed out favors the counterfeit. We think it clear beyond reasonable doubt that the simulation is such as to deceive the ordinary purchaser, desiring to buy the flour of

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the appellee, into purchasing the flour thus put upon the market by the appellants. We must remember, in considering this and like cases, that the purchaser of goods, with respect to brands by which the goods are designated, is not bound to exercise a high degree of care. A specific article of approved excellence comes to be known by certain catch words, easily retained in memory, or by a certain picture, which the eye readily recognizes. The purchaser is required only to use that care which persons ordinarily exercise under like circumstances. He is not bound to study or reflect,—he acts upon the moment. He is without the opportunity of comparison. * * * We do not credit the assertion of the appellants that the flour they thus put upon the market was of equal quality to that manufactured by the appellee. If it were so, it could make no difference in the consideration of the question.”

IV. GEOGRAPHICAL NAMES.

§ 241. The General Rule.

A geographical name is not ordinarily the subject of a technical trade-mark, and a person cannot acquire an exclusive right to the use of such word. But where it has been adopted at first merely to indicate the place of manufacture, and afterwards has become known as a synonym for superior excellence, persons residing at other places, or even at the same place, will not thereafter be permitted to use it as a brand or label for similar goods, for the purpose of fraud and false representation, and thus to appropriate the goodwill of a business which long-continued industry, skill, and a large use of capital has built up.¹⁰⁷

¹⁰⁷ Pillsbury-Washburn Flour Mills Co. v. Eagle (1898) 30 C. C. A. 386, 86 Fed. 608; Anheuser-Busch Brewing Ass'n v. Fred Miller Brewing Co. (1898) 87 Fed. 864; Hoyt v. J. T. Lovett Co. (1895) 17 (434)

§ 242. Name of Place.

The rule stated in the preceding section is subject to the qualification that, where a geographical or descriptive word has acquired a secondary signification in connection with some manufacture or article of commerce, its use in that sense will be protected by restraining the use of the word by others in such a way as to amount to a fraud on the public, and on those through whose employment of it a special meaning has become attached.¹⁰⁸ "In other words," said Chief Justice Fuller in the *Elgin Watch* case,¹⁰⁹ "the manufacturer of particular goods is entitled to the reputation they have acquired, and the public is entitled to the means of distinguishing between those, and other goods; and protection is accorded against unfair dealing, whether there be a technical trade-mark or not. The essence of the wrong consists in the sale of the goods of one manufacturer or vendor for those of another. If a plaintiff has the absolute right to the use of a particular word or words as a trade-mark, then, if an infringement is shown, the wrongful or fraudulent intent is presumed, and although allowed to be rebutted in exemption of damages, the further violation of the right of property

C. C. A. 653, 71 Fed. 173, annotated; *Coffman v. Castner* (1898) 31 C. C. A. 55, 87 Fed. 457; *Delaware & Hudson Canal Co. v. Clark* (1871) 13 Wall. (U. S.) 311; *Columbia Mill Co. v. Alcorn* (1893) 150 U. S. 460, 14 S. Ct. 151; *Laughman's Appeal* (1889) 128 Pa. 1, 18 Atl. 415; *Glendon Iron Co. v. Uhler* (1874) 75 Pa. 467; *Connell v. Reed* (1880) 128 Mass. 477; *Candee v. Deere* (1870) 54 Ill. 439; *Evans v. Von Laer* (1887) 32 Fed. 153; *Genesee Salt Co. v. Burnap* (1896) 20 C. C. A. 27, 73 Fed. 818. As to geographical names used in a merely fanciful sense, see *Fleischmann v. Schuekmann* (1881) 62 How. Pr. (N. Y.) 92 (*Vienna Bread*); *Taylor v. Carpenter* (1844) 3 Story, 458, Fed. Cas. No. 13,784 ("*Persian*" Thread).

¹⁰⁸ See chapter 2, § 59.

¹⁰⁹ *Elgin National Watch Co. v. Illinois Watch Case Co.* (1901) 179 U. S. 665. See *Lawrence Mfg. Co. v. Tennessee Mfg. Co.* (1891) 138 U. S. 537, 549; *Coats v. Merrick Thread Co.* (1893) 149 U. S. 562.

will nevertheless be restrained. But where an alleged trade-mark is not in itself a good trade-mark, yet the use of the word has come to denote the particular manufacturer or vendor, relief against unfair competition or perfidious dealing will be awarded by requiring the use of the word by another to be confined to its primary sense by such limitations as will prevent misapprehension on the question of origin. In the latter class of cases such circumstances must be made out as will show wrongful intent in fact, or justify that inference from the inevitable consequences of the act complained of."

§ 243. Same—Illustrations.

The right to be protected in the use of a geographical name thus depends not upon a proprietary right in the name, or an exclusive right to its use. When another resorts to the use of such a name fraudulently as an artifice or contrivance to represent his goods or business as being that of a person previously using it, and induces the public so to believe, the court will afford relief to the party interested.¹¹⁰ Thus, a manufacturer of salt in the Genesee Valley will not be enjoined from using the word "Genesee," but he will be restrained from using it in any color, style, or form of letters, or in connection with other words, to imitate a combination previously used by another dealer in the same article in the same locality.¹¹¹ In another case it appeared that the complainant, who was a brewer in St. Louis, Mo., made and exported to Panama and to South American ports beer in bottles with a label bearing the words, "St. Louis Lager Beer." Defendant, who was a shipper of beer from New

¹¹⁰ *Continental Ins. Co. v. Continental Fire Ass'n* (1899) 96 Fed. 846; *Gebbie v. Stitt* (1894) 82 Hun (N. Y.) 93.

¹¹¹ *Genesee Salt Co. v. Burnap* (1896) 20 C. C. A. 27, 73 Fed. 818.

York City, and a competitor of complainants in the trade of Panama and South America, labeled his bottles "St. Louis Lager Beer." Although complainant had not an exclusive property right in the word "St. Louis," or the exclusive right to designate his beer by the name of "St. Louis Lager Beer," yet, as his beer had always been made at that city, the use of the designation on his labels was legitimate, and the defendant, whose beer was made in New York City, was enjoined from simulating his labels, or representing in any other way that his products were those of the complainant.¹¹²

¹¹² *Anheuser-Busch Brewing Ass'n v. Piza* (1885) 24 Fed. 149. The court said: "The case is similar in some of its facts to that of *Newman v. Alvord* (1872) 51 N. Y. 189. There the plaintiff used the word 'Akron' to designate a cement manufactured by him at the village of Akron, New York. The defendant, who was a manufacturer at another place in the same state, was enjoined from designating his cement as 'Akron Cement,' although he prefixed his own name, and added the real place of its manufacture. In the opinion delivered in that case by Earl, J., it was assumed that other persons at Akron had the right, equally with the plaintiff, to call their cement 'Akron Cement,' but he added: 'Yet it is quite clear that the plaintiffs, upon the facts, are entitled to protection against the defendant. It is sometimes said in the cases to which our attention has been called that the claimant to a trade-mark must have the exclusive right to it. This form of expression, I apprehend, is not strictly accurate,—the right must be exclusive against the defendant. It is generally sufficient in such cases if the plaintiffs have the right, and the defendant has not the right, to use it. The principle upon which the relief is granted is that the defendant shall not be permitted, by the adoption of a trade-mark which is untrue and deceptive, to sell his own goods as the goods of the plaintiff, thus injuring the plaintiff and defrauding the public.' The following cases in which a party has been protected in the use of the name of a place to distinguish a particular business or product are apposite: 'Glenfield Starch,' in *Wotherspoon v. Currie* (1872) L. R. 5 H. L. 508, 513; 'Anatolia Liquorice,' in *McAndrew v. Bassett* (1864) 10 Jur. (N. S.) 492, 10 Law T. (N. S.) 65; 'Seixo Wine,' in *Seixo v. Provezende* (1866) 1 Ch. App. 192, 14 Law T. (N. S.) 314.

So, one who made corset waists at Chicago, and sold them as "Chicago Waists," so that this designation had come to denote, among purchasers, goods made by him, was granted an injunction against another who made similar waists in a different city, and sold them as "Chicago Waists," with the manifest intent of availing himself of the reputation acquired by the goods of the other.¹¹³

Certain millers in Minneapolis, Minn., and their predecessors in business, for thirty years had made flour by the roller patent process, and used as brands the words, "Minneapolis," "Minneapolis, Minn.," "Minneapolis, Minnesota," "Minnesota," and "Minnesota Patent." The words "Minnesota" or "Minnesota Patent" meant that the flour was made under the roller patent process somewhere in Minnesota. The words "Minneapolis," "Minneapolis, Minn.," and "Minneapolis, Minnesota," signified to the trade that the flour was made at a Minneapolis flouring mill. A Chicago dealer in flour obtained from the mills at Milwaukee an inferior grade of flour, which he labeled, "Best Minnesota Patent, Minneapolis, Minn." He advertised it as made at Minneapolis, Minn., with the result that the public was deceived into buying this flour under the belief that it was made at Minneapolis, Minn., and were thereby defrauded, and the business of the Minneapolis millers injured. It was held that a court of equity would grant re-

It is unnecessary, for present purposes, to consider whether the complainant has a valid trade-mark or can have a technical trade-mark in the name 'St. Louis.' It is sufficient that it was lawful for the complainant to use that name to designate its property; that, by doing so, it has acquired a trade which is valuable to it; and that the defendant's acts are fraudulent, and create a dishonest competition, detrimental to the complainant."

¹¹³ Gage-Downs Co. v. Featherbone Corset Co. (1897) 83 Fed. 213. (438)

lief by prohibiting the fraud, and thus prevent damage to the business of the Minneapolis millers.¹¹⁴

Plaintiff was the owner and operated all the collieries in the parish of R., in Somersetshire, and owned practically all the coal in that parish. She carried on the business of working the collieries and selling the coal in her own name, adding to it on her wagons and bill heads the words, "R. Collieries." The defendants, from 1868, carried on at R. the business of coal merchants as the "R. Coal Co.," having depots at various railway stations in the south and west of England, at which they sold different kinds of coal. They became, in 1876, the lessees of and worked a colliery outside of the parish of R., but in a district or basin in which the coal was similar to that raised within the parish. The coal produced in the district, but outside of the parish, was known as "R. Coal" in the market. In 1873 defendants began to sell coal at G., in Surrey, through a local agent, and in 1875 they bought the goodwill of a retail coal dealer, named C., at G., who had become bankrupt. They then advertised themselves in the Surrey newspapers, and otherwise in the neighborhood, as "The R. Colliery, Proprietors and Factors, Coal and Coke Merchants (Late C. & Co.)," and offered to supply coal of every description direct from the colliery. It was held that the defendants were not entitled to the use of the name "The R. Colliery, Proprietors," until they should acquire a colliery in the parish of R., or to use any style that implied that their coal came from the parish of R., until they should become authorized to sell coals raised from a colliery within that parish. It was also held that the acts of the defendants were calculated to induce purchasers to believe that the defendants were selling plaintiff's

¹¹⁴ Pillsbury-Washburn Flour Mills Co. v. Eagle (1898) 30 C. C. A. 386, 86 Fed. 608, reversing (1897) 82 Fed. 816.

coal, and that plaintiff was not obliged to prove any instance of actual deception or any actual damage in order to obtain an injunction.¹¹⁵

Canning companies in California who put up and sell fruits grown in that state have a right to use thereon the name "California" as a trade designation, and, when their products become well and favorably known by such name, are entitled to protection by injunction against the fraudulent use on cans of the same kind of fruit grown and put up elsewhere of a label designating it as "California Fruit," falsely stating that it is put up in that state. "It is true," said the court,¹¹⁶ "that no one single packer can acquire an exclusive right to use, as a private trade-mark, 'California Pears,' or 'California,' as a label on canned pears, but all the persons who put up California grown pears in California have a right to use it, and it has acquired, the bill alleges, an especial trade significance of value. With regard to articles of food, and particularly with regard to fruits, the place where they are grown creates often an essential distinction as to quality and flavor, and this distinction, when it has become known in trade by the geographical name of the place where grown, the growers of the fruit are entitled to the benefit of, and the consumers should not be deceived. The present is such a case, and presents, I think, indisputable ground for the application of the equitable jurisdiction which prevents unfair and fraudulent competition by simulated trade designations. All the objections which have been urged by the respondents upon the ground that a geographical name cannot be a trade-mark, that no one of the complainants can show the actual money damage it has suffered, and that equity has no jurisdiction, are, I think, fully

¹¹⁵ *Braham v. Beachim* (1878) 7 Ch. Div. 848.

¹¹⁶ *California Fruit Growers' Ass'n v. Myer* (1899) 104 Fed. 82.

answered in the learned opinion of Judge Bunn, and the cases cited by him in *Pillsbury-Washburn Flour Mills Co. v. Eagle*.¹¹⁷

In another case the proofs showed that the word "Vichy" was not a trade-mark or trade-name of the complainants, in the strict legal sense of the term, but was a geographical name applied by them, as well as various other owners of mineral springs at or near Vichy, in the department of Allier, France, to designate locality of origin, and to indicate the general characteristics of the waters. It was held that the bill could be maintained upon the theory of unfair competition by defendants and their testator in applying that name to the artificial mineral waters manufactured and sold by them in this country.¹¹⁸

¹¹⁷ (1898) 30 C. C. A. 386, 86 Fed. 608.

¹¹⁸ *La Republique Francaise v. Schultz* (1899) 94 Fed. 500. In the subsequent case of *La Republique Francaise v. Saratoga Vichy Spring Co.* (1900) 99 Fed. 733, Judge Coxe said: "It is thought that this cause is ruled by the decision in *La Republique Francaise v. Schultz*, 94 Fed. 500, recently affirmed. * * * The principles upon which the decision in the *Schultz Case* rests are invoked in the case at bar, and I see no way to avoid their application. * * * It would be inequitable to punish the defendant with an injunction and an accounting after exonerating the defendants in the former case. Indeed, the defense here is, in some respects, stronger than in the *Schultz Case*. The defendant's water has been known for twenty-six years as 'Saratoga Vichy,' and the record shows that there has never been an attempt to palm it off on innocent buyers as the imported article. The defendant has sold it upon its merits as a natural Saratoga water. The two are different in appearance, taste, and ingredients. The defendant's is a sparkling water, and for several years has been sold under a label on which the word 'Saratoga' is as prominently displayed as the word 'Vichy.' It is true that there is a small neck label attached to the bottle on which the name 'Vichy' is the more prominent, but, in view of the many other distinguishing characteristics, it seems inconceivable that any one of ordinary perception can be induced to buy the defendant's water supposing it to be the imported Vichy. An individual

Where the complainant sold goods under the name of "American Wash Blue" and "American Ball Blue," and sought to enjoin other parties from using these words, the court said: "The first contention of defendants is that complainant cannot maintain a right to a trade-mark in the designation 'American,' that being a geographical name, and intended merely to affirm that the articles sold under that description are of domestic, and not of foreign, origin. If the complainant's right to relief was based solely upon the claim of a trade-mark, or, in other words, if complainant could not sustain the suit except by claiming a strict right to a trade-mark in the brands 'American Wash Blue' and 'American Ball Blue,' the position of the defendants that the word 'American,' being a geographical name, cannot be appropriated by any one person as a trade-mark, would be sustained by the authorities. An injunction was granted."¹¹⁹

§ 244. Stone Ale Case.

In this well-known case¹²⁰ it appeared that the plaintiffs and their predecessors had for a hundred years carried on a brewery at Stone, in Staffordshire, England, and their ale had become known as "Stone Ale." They had registered several trade-marks which contained the name "Stone Ale" in combination with some device or name of the firm, and in 1888 they registered, as an additional trade-mark, the words "Stone Ale" alone. Defendant built a brewery at Stone village, over which he placed the words "Stone Brew-

stupid enough to be deceived in such circumstances is beyond the aid of a court of equity. In his case, a writ de lunatico is a more appropriate remedy than a writ of injunction."

¹¹⁹ Heller & Merz Co. v. Shaver (1900) 102 Fed. 882.

¹²⁰ Thompson v. Montgomery (1889) 41 Ch. Div. 35, (1891) 64 Law T. (N. S.) 749. See Gebbie v. Stitt (1894) 82 Hun (N. Y.) 193, 31 N. Y. Supp. 102. See chapter 2, § 59.

ery," and, when that was objected to by the plaintiffs, he changed it to "Mrs. Stone Brewery," with a device containing the words "Stone Ale," and a monogram somewhat resembling the plaintiffs' trade-mark. Plaintiffs brought action for an injunction, and defendant moved under section 74 of the patent, designs, and trade-marks act of 1883, to enter a disclaimer on the part of the plaintiffs of the exclusive use of the word "Stone," and otherwise rectify the register. It was held that the word "Stone" was not a word common to the trade, and that consequently the case did not come within section 74, and the application for a disclaimer was refused. It was also held that, there being no evidence that the plaintiffs had used the expression "Stone Ale" by itself as a trade-mark before the 13th of August, 1875, plaintiffs could not register it as a trade-mark under section 64, subd. 5, of the same act. But the plaintiffs had acquired, by the user, a right to the words "Stone Ale," within the principles of *Wotherspoon v. Currie*,¹²¹ and as the conduct of the defendant was calculated to deceive the public into supposing that his ales were brewed by the plaintiff, an injunction was issued.

§ 245. *Glenfield Starch Case.*

Where the word "Glenfield" had become associated with the starch manufactured by plaintiff, the defendant, although he established his manufactory at the town of Glenfield, was restrained from using the word in such a manner as to deceive intending purchasers.¹²²

§ 246. *The Yorkshire Relish Case.*

From 1860 to 1893, plaintiff alone had sold a sauce called

¹²¹ (1872) L. R. 5 H. L. 508. See next section.

¹²² *Wotherspoon v. Currie* (1872) L. R. 5 H. L. 508.

“Yorkshire Relish.” At a later date, defendants put on the market a sauce which was altogether different from that of the plaintiff, and sold it under the name “Yorkshire Relish.” It was held that, though the general appearance of the defendants’ wrappers and labels was different from that of the plaintiff, they had not taken sufficient precaution to prevent customers from being misled, and that, *ad interim*, an injunction must be granted.¹²³ On appeal it appeared that Powell had, for thirty-five years, been the sole maker of a sauce which he called “Yorkshire Relish,” and which he had sold in round glass bottles, with labels attached to them containing the name “Yorkshire Relish” and his own name. The defendants made similar, but not identical, sauce, under the same name, and sold it at a less price, in similar glass bottles, with labels upon them also containing the name “Yorkshire Relish” in conjunction with their own name. The labels were not otherwise similar. Plaintiff’s and defendants’ sauces were sold by retail tradesmen at the same price, and there was proof that the ultimate purchaser

¹²³ Powell v. Birmingham Vinegar Brewery Co. (1894) 13 Reports, 153, citing Powell v. Birmingham Vinegar Brewery Co. (1893) 6 Reports, 52, [1894] App. Cas. 8, 63 Law J. Ch. 152, 70 Law T. (N. S.) 1; Singer Mfg. Co. v. Loog (1882) 8 App. Cas. 15, 32, 52 Law J. Ch. 481, 48 Law T. (N. S.) 3, 31 Wkly. Rep. 325, (1879) 11 Ch. Div. 656; Reddaway v. Bentham Hemp-Spinning Co. [1892] 2 Q. B. 639, 67 Law T. (N. S.) 301; Siegert v. Findlater (1878) 7 Ch. Div. 801, 47 Law J. Ch. 233, 38 Law T. (N. S.) 349, 26 Wkly. Rep. 459; Glenfield Starch Case (Wotherspoon v. Currie) (1872) L. R. 5 H. L. 508, 42 Law J. Ch. 130, 27 Law T. (N. S.) 393; Linoleum Mfg. Co. v. Nairn (1878) 7 Ch. Div. 834, 47 Law J. Ch. 430, 38 Law T. (N. S.) 448, 26 Wkly. Rep. 463; In re J. B. Palmer’s Trade-Mark (1882) 24 Ch. Div. 504, (1883) 50 Law T. (N. S.) 30, (1884) 32 Wkly. Rep. 306; Seixo v. Provezende (1866) 14 Law T. (N. S.) 314, 14 Wkly. Rep. 357; Masam v. Thorley’s Cattle Food Co. (1880) 14 Ch. Div. 748, 42 Law T. (N. S.) 851, 28 Wkly. Rep. 966; Montgomery v. Thompson [1891] App. Cas. 217, 60 Law J. Ch. 757, 64 Law T. (N. S.) 748.

had been in several instances misled into buying defendants' sauce for that of the plaintiff. It was held that the defendants were not entitled to the use of the name "Yorkshire Relish" in connection with any sauce other than plaintiff's without fairly distinguishing such sauce from the plaintiff's.¹²⁴ The court of appeals, in an elaborate and learned opinion, dismissed an appeal from the order granting an injunction. Lord Justice Lindley said: "Persons may be misled and may mistake one class of goods for another, although they do not know the names of the makers of either. A person whose name is not known, but whose mark is imitated, is just as much injured in his trade as if his name were known as well as his mark. His mark, as used by him, has given a reputation to his goods. His trade depends greatly on such reputation. His mark sells his goods. A rival who imitates his mark can hardly help deceiving buyers and injuring him; and for such injury, if proved, he can obtain redress."¹²⁵ * * * But it must never be forgotten that a trade-mark only confers on the person whose mark it is a right to say, 'Do not imitate my mark in connection with goods like mine, so that yours may be mistaken for mine.' There is no exclusive right to the mark except in connection with such goods and to prevent deception or mistake. Still less does a trade-mark confer any exclusive right to make or sell the kind of goods denoted by the mark. Unless a person has a patent for his goods, similar goods may be made and sold by any one; and they may be better or worse, dearer or cheaper, than those denoted by the mark. The mark is only a protection against mistakes in taking one person's goods for another's, and the right conferred by a trade-mark is only to

¹²⁴ Birmingham Vinegar Brewery Co. v. Powell (1896) 65 Law J. Ch. 563, [1896] 2 Ch. 54.

¹²⁵ Siegert v. Findlater (1878) 7 Ch. Div. 801.

prevent its use, if its use deceives or misleads, or is proved to be calculated so to do. The sense in which, and in which alone, a person entitled to a trade-mark has a property in it, was fully explained in *Singer Mfg. Co. v. Loog*¹²⁶ by Lord Selborne, Lord Blackburn, and Lord Watson. Precisely the same principles are applicable to the use of words as to the use of marks for the designation of particular goods. This is shown by such cases as the *Angostura Bitters Case*,¹²⁷ the *Glenfield Starch Case*,¹²⁸ the *Stone Ale Case*,¹²⁹ the *Excelsior White Soft Soap Case*,¹³⁰ and by *Seixo v. Provezende*.¹³¹ But the exclusive right to the use of words is much more burdensome to other people than the exclusive right to the use of a mark. A person who designs or adopts a mark to denote his goods imposes no unreasonable burden on rivals in trade by forbidding them from using the same mark to denote similar goods if the public are thereby misled. But to monopolize the use of words imposes a much more serious burden. Consequently, limits have been put to the right to complain of the use of words, which have not been put to the right to complain of the use of marks. For example, if a man uses his own name to denote his own goods, it would be intolerable to confer upon him the right to prevent other people of the same name from honestly using their own name to denote their own goods, even although they might be of the same kind as his, and be undistinguishable from them.¹³² Again, if a person uses words which simply describe the kind of goods he makes or

¹²⁶ (1882) 8 App. Cas. 15, (1882) 52 Law J. Ch. 481.

¹²⁷ *Siegert v. Findlater* (1878) 7 Ch. Div. 801.

¹²⁸ *Wotherspoon v. Currie* (1872) L. R. 5 H. L. 508.

¹²⁹ *Montgomery v. Thompson* (1891) 8 R. P. C. 361; [1891] App. Cas. 217.

¹³⁰ *Braham v. Bustard* (1863) 1 Hem. & M. 447.

¹³¹ (1866) 14 Law T. (N. S.) 314, (1866) L. R. 1 Ch. 192.

¹³² *Burgess v. Burgess* (1853) 3 DeGex, M. & G. 896; *Turton v. Turton* (1889) 42 Ch. Div. 128.

sells,—*e. g.*, leather boots,—it would be intolerable to confer upon him the right to prevent other persons from honestly using the same words to describe what they make or sell. Although, however, a person, by using his own name, or a merely descriptive word, to denote a particular article, cannot prevent other *bona fide* traders of the same name from using it, or prevent other *bona fide* traders making or selling the same sort of goods from using the same descriptive word, yet, even in such a case, if the descriptive name is proved to mean the goods of the plaintiff, and if deception is also proved, a person may be restrained from using such name or word without taking such steps as will render mistakes unlikely to occur.¹³³ The leading case on this point is *Reddaway v. Banham*,^{133a} decided the other day in the house of lords.^{133b} On appeal to the house of lords, this decision was affirmed.^{133c}

§ 247. Old Country Soap Case.

The complainant and its predecessor in interest had for many years manufactured and sold soap under the name of "Old Country Soap," which was used as a trade-mark. The defendant commenced the manufacture and sale of soap under the name of "Our Country's Soap." The boxes in which defendant shipped its soap, and the wrappers around the boxes, were dissimilar from those of the complainant's

¹³³ *Holloway v. Holloway* (1850) 13 Beav. 209; *Seixo v. Provezende* (1866) 14 Law T. (N. S.) 314; *Wotherspoon v. Currie* (1872) L. R. 5 H. L. 508 (Glenfield Starch Case); *Siegert v. Findlater* (1878) L. R. 7 Ch. Div. 801 (Angostura Bitters); *Thompson v. Montgomery* (1889) 41 Ch. Div. 35, [1891] App. Cas. 217, (Stone Ale) 8 R. P. C. 361.

^{133a} [1896] App. Cas. 199; (1896) L. J. Q. B. 381.

^{133b} *Powell v. Birmingham Vinegar Brewery Co.* [1896] 2 Ch. 54; (1896) 65 Law J. Ch. 563.

^{133c} *Birmingham Vinegar Brewery Co. v. Powell* (1897) 66 Law J. Ch. 763.

in the printed matter thereon, and in the coloring of the lettering, which, as well as the boxes themselves, contained defendant's name and address, which did not resemble complainant's. The boxes of each party, while similar in color and general appearance to those of the other, had stamped upon one side the name of the soap, and on the other the name of the makers. It was held that the mere similarity in name, in view of the other facts, was not sufficient to constitute unfair competition, it not appearing to be such as to deceive a buyer of ordinary intelligence and observation into buying the defendant's soap for that of the plaintiff. The court said: "Both parties shipped their soap, from their respective places of manufacture, to the trade, in pine boxes of about the same size. On complainant's boxes are the words, 'Allan B. Wrisley Old Country Soap. 479, 481, 483 Fifth Ave., Chicago,' which words are in large blue lettering. Defendant's boxes are marked on one side, in large black letters 'Our Country's Soap, Manufactured by Iowa Soap Co.' On the other side, in red letters, is a guaranty, and then 'Iowa Soap Co., Burlington, Iowa.' The bars of soap in each case are supposed to be one pound, and are of about the same size. Plaintiff's bar of soap is marked 'Allan B. Wrisley, Chicago,' in letters cut in the soap on a smooth surface on the bar. On the other side, 'Old Country Soap,' lettered in the same way. Defendant's soap is lettered on one side, 'Our Country Soap,' and on the other 'Iowa Soap Co., Burlington, Iowa.' The said lettering on both sides is in a panel cut out of the soap. Plaintiff's wrapper around each bar of soap has in large blue lettering as follows: 'Allan B. Wrisley's (Trade-Mark) Old Country Soap. Allan B. Wrisley.' His address or place of manufacture is not given on the wrapper. Defendant's wrapper, on one side, in large red letters on a blue field, in (448)

part of an American eagle, is 'Our Country's Soap.' On the other side 'Iowa Soap Co., Manufacturers, Burlington, Iowa.' Also a lot of blue stars. * * * Plaintiff's soap is called 'Old Country Soap;' defendant's soap is called 'Our Country's Soap.' Plaintiff has been in the business of manufacturing and selling 'Old Country Soap' for a time long prior to the time defendant commenced to manufacture and sell its soap. So the question of fact is, would a person of ordinary intelligence be misled into buying defendant's soap when wanting the soap of plaintiff? * * * When speaking of the evidence that tended to show that some parties had made purchases of defendant's tobacco believing it plaintiff's, and that some witness had testified to such sales, Justice Brewer said: 'We cannot surrender our own judgment in this matter because others may be of a different opinion, or because it happens in isolated instances that some person was so careless as not to detect the difference. It may well be that, where many sales were made, some individuals, not particularly attentive, may have purchased the defendant's, supposing they were purchasing the plaintiff's, package. Such things will happen in the ordinary course of business, no matter how great the differences; and the fact that they have happened, while it is not to be ignored, is not to outweigh the evidence which comes from a personal inspection of the packages and labels.'"¹³⁴ The court continued: "I cannot understand how any one could be misled or deceived into buying defendant's soap believing he was getting that of plaintiff. A child who could not read would readily discern the difference, not only as to the box for shipment, but the wrappers around the soap, and the soap itself; and, if the child wanted the one soap, he

¹³⁴ P. Lorillard Co. v. Peper (1898) 57 U. S. App. 565, 30 C. C. A. 496, 86 Fed. 956.

could not be easily deceived into buying the other. In my opinion, there is no such resemblance either in box or in wrapper, or in the soap, or in name, as to deceive a child, to say nothing of a person of ordinary intelligence,—the test urged by Justice Brewer.¹³⁵

§ 248. "Oxford," as Denoting Bibles.

In a recent case in one of the federal courts it was held that the name "Oxford" on Bibles had so long been used to designate Bibles prepared and published by the University of Oxford, England, as to become identified with such particular publications as denoting their origin, and that the use of the name by another publisher, having no connection with the place or name, could be for no other purpose than to deceive purchasers, and constitutes unfair competition. It appeared that the University of Oxford, England, is a body corporate, known by the name and style by which the suit was brought; that books had been printed by it as early as the fifteenth century; that letters patent for printing books of all kinds, including Bibles, were granted to it by King Charles in the seventeenth century; that it had printed Bibles of many kinds, prepared by its officers and scholars with great care, which were generally known as "Oxford Bibles;" that no other Bibles were published at Oxford, and that the complainant's Bibles were ordered, sold, and bought by the name "Oxford;" that, among the kinds published by complainant is the "Teachers'" Bible, first published in 1876, which contains, besides the text, a "Manual of Helps to the Study of the Bible," full of reliable information respecting the authors and books of the Bible and Palestine, a concordance, indices, tables, and maps; that this Bible, with new editions, has been published and sold by that name con-

¹³⁵ Allan B. Wrisley Co. v. Iowa Soap Co. (1900) 104 Fed. 548.

tinuously in this country and throughout the world. The defendant had printed and published a Bible specified on the title page as an "Oxford Bible. The S. S. Teachers' Edition," and on the back is "Holy Bible, Oxford, S. S. Teachers' Edition." In a suit brought to restrain the use of this name the court said: "It is insisted for the defendant that the name of a place of origin cannot become a valid trade-mark of goods and products, and that 'Oxford' here is merely the name of the city of the plaintiff. and could not be exclusively used to distinguish the plaintiff's Bibles. But this word is a part of the plaintiff's name, and as such has given name to the plaintiff's Bibles, and has come to be a means of showing their origin. The defendant has no connection with the place or name, and this use of the name by the defendant can be for no purpose but to represent the defendant's Bibles as coming from the plaintiff. The plaintiff has no copyright of this work, and any one would, of course, have a clear right to print and publish it, but no one would have a right in any false manner to represent such a product as the work of the plaintiff. The use of the name upon the defendant's Bibles had a tendency to so represent, and to confuse the plaintiff's use of its name in its business. That the plaintiff prints and publishes this work in America as well as at the university makes it none the less the plaintiff's product, and confers no right upon others to publish it in the name of the plaintiff, or to use the plaintiff's name in publishing it in America or elsewhere. * * * The case shows sufficient interference by the defendant to furnish ground for commencing the suit, and the ceasing of the interference by the defendant does not take away the right of the plaintiff to a decree, with costs. Sufficient perception of

profits does not, however, appear to warrant an accounting."¹³⁶

V. USE OF DESCRIPTIVE WORDS.

§ 249. General Statement.

Words merely descriptive of the kind or quality of goods or articles are not, as pointed out in a previous chapter,¹³⁷ the subject of a technical trade-mark and cannot be exclusively appropriated. But where a party has for many years used a descriptive term, and built up a business thereunder, he will be protected from unfair competition by the use of such term.¹³⁸ Thus, a manufacturer of "Cashmere Boquet Soap," who has built up a large business, may, under certain circumstances, enjoin a rival manufacturer from using the words "Violets of Cashmere."¹³⁹

Complainant's assignors contracted with Thomas A. Edison for the manufacture by him of a certain number of machines invented by Edison for projecting apparently living figures on a screen. To distinguish these machines

¹³⁶ *Chancellor, etc., of Oxford University v. Wilmore-Andrews Pub. Co.* (1900) 101 Fed. 443, citing *Rahtjen's American Composition Co. v. Holzappel's Composition Co.* (1900) 41 C. C. A. 329, 101 Fed. 257, reversing (1899) 97 Fed. 949.

¹³⁷ See chapter 3, § 63.

¹³⁸ *Garrett v. T. H. Garret & Co.* (1896) 24 C. C. A. 173, 78 Fed. 472, citing *California Fig Syrup Co. v. Frederick Stearns & Co.* (1896) 20 C. C. A. 24, 73 Fed. 812; *Genesee Salt Co. v. Burnap* (1896) 20 C. C. A. 27, 73 Fed. 818. See *Postum Cereal Co. v. American Health Food Co.* (1901) 109 Fed. 898.

¹³⁹ *Colgate v. Adams* (1898) 88 Fed. 899. The court cited, as controlling this case, *Pillsbury-Washburn Flour Mills Co. v. Eagle* (1898) 30 C. C. A. 386, 86 Fed. 608, and said: "Whether the word 'Cashmere,' were this a case of technical trade-mark, would be held to be a geographical word, and therefore insusceptible of use under the doctrine of *Columbia Mill Co. v. Alcorn* (1893) 150 U. S. 460, 14 S. Ct. 151, I need not decide." See *Kyle v. Perfection Mattress Co.* (1899) 127 Ala. 39.

from others, made for like purposes, the word "Vitascope" was coined, and it was agreed between the parties that complainant's assignors might call the machines "Vitascopes," or "Edison's Vitascopes." Complainants failed to take and pay for all of said machines according to the contract, and Edison sold those not taken to reimburse himself for their cost. It was held that the purchasers from Edison, in offering their machines for sale as "Edison Vitascopes," were not guilty of unfair competition with the complainants, as there was no misleading or deception of the public, who thus obtained the identical machines to which the name was intended to apply.¹⁴⁰

§ 250. Nondescriptive Name—Confusion of Sources of Production.

Where a trader has long been the sole maker of a particular kind of an article, and has called it by a nondescriptive name, by which alone the article has become known in the market, a rival trader will not be permitted to make and sell a similar kind of an article under the same name without so distinguishing his goods as to prevent them from being mistaken for the goods of the original maker.¹⁴¹ As said in one case: "It is well settled that, while a trade-mark of a descriptive character cannot be monopolized as such, yet there may be such circumstances that subsequent users are bound to distinguish their merchandise, and may be restrained unless they couple with the use of the generic name some caution suitable to guard the public from confusing the sources of production. In the case at bar it is alleged in the bill on this point that the respondents had put up their

¹⁴⁰ *Vitascope Co. v. United States Phonograph Co.* (1897) 83 Fed. 30.

¹⁴¹ *Birmingham Vinegar Brewery Co. v. Powell* (1897) 66 Law J. Ch. 763.

product in pint bottles identically the same in shape and color as those used by the complainant, and had also used white labels, as does also the complainant. These are the only particulars as to which the bill describes simulation. The bottles of the complainant, however, are common pint bottles, in use everywhere, and the exhibits produced to the court do not show labels whose color would be mistaken by the ordinary public as that of the white ones in use by the complainant. The complainant has throughout used on his label a picture of Mount Ararat, being, for the eye of the purchaser, the most prominent feature which it contains. This was omitted by the respondents in their labels. Not only in this respect, but in others, theirs are distinguished in such marked manner from those of the complainant that, as we have already said, the public has a reasonable warning of the difference in the sources of production, although, as we have suggested, the article itself has been so long exclusively combined in the public mind with the complainant that little less than personal explanations would in many cases prevent the purchaser from deceiving himself. All that can be claimed of the respondents in this particular is that they conform to the rule of *Singer Mfg. Co. v. June Mfg. Co.*; and the complainant has not suggested to the court, and the court is unable to perceive from its own inspection of the exhibits, what the respondents could do, more than they have done, to perform their obligation in that respect.¹⁴²

¹⁴² *Dadirrian v. Yacubian* (1900) 39 C. C. A. 321, 98 Fed. 872. In this case the court said: "Aside from the question of an absolute right to a monopoly of the alleged trade-mark in issue, inasmuch as the complainant introduced into the market of the United States the foreign article which it represents, and had held that market exclusively for so many years that the article became known to the public as his article, the principle underlying the rule announced (454)

§ 251. Words Descriptive of Origin—Use of Word "Vichy."

Where the city of Carlsbad attempted to enjoin a manufacturer of mineral waters from using the word "Vichy," and it appeared that, for more than fifty years, artificial waters, approximating more or less closely in ingredients and properties to natural Vichy water, had been prepared

in *Singer Mfg. Co. v. June Mfg. Co.* (1896) 163 U. S. 169, 16 S. Ct. 1002, applies. So, also, cases like *Reddaway v. Banham* [1896] App. Cas. 199, where, to a certain extent, what is called a 'secondary use of a generic term' has been protected, are not to be overlooked. It may be well to add that the rule of *Reddaway v. Banham* is explained somewhat in *Cellular Clothing Co. v. Maxton* [1899] App. Cas. 326, 336, the latest case on the topic. *Singer Mfg. Co. v. June Mfg. Co.* and *Reddaway v. Banham* are, after all, essentially of the same class." Citing *Centaur Co. v. Marshall* (1899) 38 C. C. A. 413, 97 Fed. 785-789. In *Sterling Remedy Co. v. Spermine Medical Co.* (1901) 50 C. C. A. 657, 112 Fed. 1000, it was held that, where a certain article has been put on the market and become known to the public as "Cascarets," another manufacturer is not entitled to the use of the words "Candy Cathartic" in connection with the name "Cascarets" under such circumstances as will result in confusing and deceiving purchasers as to the origin of the remedy. With reference to the words "Candy Cathartic," the court said: "It is claimed that these words are merely descriptive, indicating the quality of the compound, and cannot be appropriated as a trade-mark. This may be, although a different conclusion was reached by Judge Wing in *Sterling Remedy Co. v. Gorey* (1901) 110 Fed. 372. We do not find it needful to determine that question, since the bill here does not proceed upon the ground of trade-mark alone, but upon the ground of unfair competition in trade. There can be no trade-mark in one's name, or in a geographical name, or in a name descriptive of quality; but neither can be used for the purpose of perpetrating a fraud which affects the public. * * * In a recent case in the supreme court (*Elgin Nat. Watch Co. v. Illinois Watch Case Co.* [1901] 179 U. S. 665, 21 S. Ct. 274), the court remarked that, 'where an alleged trade-mark is not in itself a good trade-mark, yet the use of the word has come to denote the particular manufacturer or vender, relief against unfair competition or perfidious dealing will be awarded by requiring the use of the word by another to be confined to its primary sense by such limitations as will prevent misapprehension on the question of origin.'"

and sold under the name "Vichy" by manufacturers in Europe and in this country; that natural waters lose their original virtues more or less when removed from their resources, while artificial waters, manufactured under pressure of carbonic acid gas, remain intact in all of their ingredients; and that Schultz, the testator of the defendants, began the manufacture of artificial water in New York City in 1862, and from that time until the bill was filed, a period of thirty years, continued to make and sell it in large quantities in this country, advertising it as "Schultz's Vichy Water," his earliest circular to the trade containing a statement that "Mineral waters will be made with the greatest care, and according to the best analyses known, so that they will not differ from the natural springs,"—the court said: "The case is devoid of any element of actual fraud. The defendant has acted in good faith throughout."¹⁴³ In a subsequent case, brought by another party, it was said: "His product acquired a high reputation for its purity, was prescribed extensively by physicians, and was considered by many to be preferable, for therapeutical purposes, to the natural waters. It became popular as a beverage, being kept by druggists generally, to be drawn from fountains or syphon bottles, and sold by the glass. The labels used by Schultz were widely dissimilar from those used with the natural water. It is apparent that he was solicitous to have the water identified with his name as its manufacturer, and that, so far from attempting to palm it off upon the public as the natural Vichy water, he sought to commend it as an artificial water having substantially the ingredients and properties of the natural water, but of greater excellence and purity than the water made by his competitors. If any part of the public bought or used his product supposing it

¹⁴³ *City of Carlsbad v. Schultz* (1897) 78 Fed. 469.

to be the natural Vichy water, they must have been very ignorant or very careless persons. Assuming that the use of the word "Vichy" in connection with the artificial water made by Schultz may have tended to divert to some extent sales of the water of the complainants, I do not think it tended appreciably to confuse the identity of the two articles."¹⁴⁴

§ 252. **Descriptive Words — Secondary Meaning — "Camel-Hair Belting."**

In the leading English Case of *Reddaway v. Banham*,¹⁴⁵ it appeared that the plaintiffs had long made and sold "Camel-Hair Belting." The defendant also sold "Camel-Hair Belting." Both beltings were really made of camel hair; but it was proved that, in the trade, "Camel-Hair Belting" meant camel-hair belting of the plaintiffs' manufacture, and that the defendant's goods were, in fact, sold for the plaintiffs'. The court of appeals held that the plaintiffs were not entitled to an injunction, but the house of lords took a different view. Lord Herschel said: "What right, it was asked, can an individual have to restrain another from using a common English word because he has chosen to employ it as his trade-mark? I answer, he has no such right; but he has a right to insist that it shall not be used without explanation or qualification, if such a use would be an instrument of fraud. Who suffer injury by such a conclusion,

¹⁴⁴ *La Republique Francaise v. Schultz* (1899) 94 Fed. 500.

¹⁴⁵ (1896) 65 Law J. Q. B. 381. See chapter 2, § 59. See comment upon this case in *Powell v. Birmingham Vinegar Brewery Co.* (1894) 13 Reports, 153: In *Cellular Clothing Co. v. Maxton* (1899) L. J. P. C. 72, it was held by the house of lords that the term "cellular," as applied to cloth and other like materials, was descriptive of the character and texture of the goods, and had not acquired a secondary meaning in association with the goods of particular manufacturers.

or would be the worse if the defendant is thus restrained? It has been shown that the public have not needed the word 'Camel-Hair' to describe a particular kind of belting,—that the words have never been used in the trade in that sense. What Lord Justice James said in *Thorley's Case*¹⁴⁶ is applicable to the present. He observed: "Thorley's food for cattle had never become an article of commerce, as distinguished from the particular manufactory from which it had proceeded." * * * The name of a person or words forming part of the common stock of language may become so far associated with the goods of a particular maker that it is capable of proof that the use of them by themselves, without explanation or qualification by another manufacturer, would deceive a purchaser into the belief that he was getting the goods of A., when he was really getting the goods of B. In a case of this description, the mere proof by the plaintiff that the defendant was using a name, word, or device which he had adopted to distinguish his goods would not entitle him to any relief. He could only obtain it by proving, further, that the defendant was using it under such circumstances or in such manner as to put off his goods as the goods of the plaintiff. If he could succeed in proving this, I think he would, on well-established principles, be entitled to an injunction. In my opinion, the doctrine on which the judgment of the court of appeal was based—that, where a manufacturer has used as his trade-mark a descriptive word, he is never entitled to relief against a person who so uses it as to induce in purchasers the belief that they are getting the goods of the manufacturer who has therefore employed it as his trade-mark—is not supported by authority, and cannot be defended on principle. I am unable to see why a man should be allowed in this way, more than

¹⁴⁶ *Massam v. Thorley's Cattle Food Co.* (1880) 14 Ch. Div. 748.
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in any other, to deceive purchasers into the belief that they are getting what they are not, and thus to filch the business of a rival." Lord Macnaghten said: "The appellants concede—they cannot, indeed, any longer dispute—that everybody who makes belting of camel hair is entitled to describe his belting as 'Camel-Hair Belting,' provided he does so fairly. But they contend, and I think with reason, that neither Banham nor anybody else is entitled to steal Reddaway's trade under color of imparting accurate and possibly interesting information. Practically the only difference which the unexpected turn in the evidence has made is this: the case now comes under the second branch of the proposition laid down by Lord Justice James; if 'Camel-Hair Belting' had kept its place as a fanciful term, it would have fallen under the first. The learned counsel for the respondents maintained that the expression 'Camel-Hair Belting,' used by Banham, was 'the simple truth.' Their proposition was that, 'where a man is simply telling the truth as to the way in which his goods are made, or as to the materials of which they are composed, he cannot be held liable for mistakes which the public may make.' That seems to me to be rather begging the question. Can it be said that the description 'Camel-Hair Belting,' as used by Banham, is the simple truth? I will not call it an abuse of language to say so, but certainly it is not altogether a happy expression. The whole merit of that description—its one virtue for Banham's purposes—lies in its duplicity. It means two things. At Banham's works, where it cannot mean Reddaway's belting, it may be construed to mean belting made of camel's hair. Abroad, to the German manufacturer, to the Bombay mill owner, to the up-country native, it must mean Reddaway's belting; it can mean nothing else. I venture to think that a statement which is literally true, but which is

intended to convey a false impression, has something of a faulty ring about it; it is not sterling coin; it has no right to the genuine stamp and impress of truth.”

VI. IMITATION OF LABELS.

§ 253. In General.

A manufacturer may indicate his goods by a particular label or wrapper, and he will be protected in its use. Such labels are used for the purpose of distinguishing the goods to which they are attached from those manufactured by other parties, and, when another person uses the same label, or a colorable imitation thereof, the result is the same as in the case of the imitation of a trade-mark. It amounts to a false statement to the public that the goods to which it is attached were manufactured by the person whose label was copied or imitated, and purchasers are thus deceived and defrauded. It was early held that the goodwill of a business, as embodied in the labels and wrappers bearing the name of the concern, or their brands or marks, will be protected on principles analogous to those applied in cases of infringement of technical trade-marks.¹⁴⁷ Thus, in one case Mr. Justice McLean said: “In his bill the plaintiff represents that he was the inventor of a certain medicine, called the ‘Chinese Liniment,’ at great labor and expense; that the medicine was found to be efficacious in the cure of many diseases, and, on being made known to the public, was purchased extensively, so as to afford a great profit to the plaintiff. It was sold in small bottles, with a suitable label, and accompanied by another paper containing directions for taking and applying the medicine in various complaints. And the complainant represents that the defendant, in the

¹⁴⁷ Peltz v. Eichele (1876) 62 Mo. 171; Sawyer v. Kellogg (1881) 7 Fed. 720.

early part of the year 1848, in combination with one John Loree and others, fraudulently issued to the public a preparation called 'Ohio Liniment,' having, upon the bottles containing it, labels, with directions exactly similar to those used by the complainant for his 'Chinese Liniment,' and that the said Brunton pretends that Loree was the inventor of said liniment, and so represents by hand bills and advertisements, and that, by these representations, which are charged to be false, the defendant has induced the public to believe that the composition sold by him contains the same ingredients as the 'Chinese Liniment,' and that by such means it is extensively purchased and used, to the injury of the complainant, and the great benefit of the defendant. All which representations are alleged to be false, etc. The complainant has not obtained a patent for his alleged invention, and if, in this respect, the allegations of his bill be admitted in regard to the invention, yet this gives him no exclusive right of property in the medicine. Any other individual has a right to make and sell the same medicine. An exclusive right, as the inventor, can only be obtained under the patent law, by a compliance with its provisions. Nor has the complainant an exclusive right to the label, as it is not a book, within the provisions of the statute. On neither of these grounds can the complainant claim an injunction. But if there be found in the representations of the defendant that his liniment is the same as the 'Chinese Liniment,' which recommends it to the public, to the injury of the complainant, it may be ground for the equitable interposition of this court. Suppose the article sold by the defendant is not only different from the 'Chinese Liniment,' but greatly inferior to it, the effect must be to destroy in the market the value of the plaintiff's liniment. And this is an injury for which a court of law cannot give adequate compensation. However valuable

the plaintiff's invention may be, yet, if it be discredited by a worthless article, it would be impossible, in any reasonable time, to restore the public confidence in the genuine article. In this consists the injury; and the fraud arises from the false representations that the composition is the same.

* * * In the case under consideration, in his label, the plaintiff calls his medicine the 'Chinese Liniment;' the defendant calls his the 'Ohio Liniment;' but from the body of the label, and of the directions for the use of the medicine, it is clear that the language of the defendant is so assimilated to that of the plaintiff as to appear to be the same medicine, the alterations being only colorable. There would seem to be no doubt that the intention of Loree, who prepared the liniment sold by the defendant, as his agent, was to avail himself of the favorable reputation acquired by the 'Chinese Liniment,' in the sale of his; and by most persons it would be received as the same medicine. From the hand bill published by Loree, the medicine sold by him is asserted to contain the qualities or ingredients of the 'Chinese Liniment,' and some other ingredient which renders it more efficacious. In his bill the plaintiff avers that this allegation is false; and especially in saying that the 'Ohio Liniment' contains the ingredients of which the 'Chinese Liniment' is composed. The case is considered as coming within the principles above cited, and an injunction is granted to enjoin the defendant from using the label or directions accompanying the liniment he sells, as aforesaid, or other labels or directions, or any advertisements or hand bills, respecting the same words and sentences which are used by the complainant in his label and directions, and which tend to produce an impression on the purchaser and the public that the liniment sold by the defendant contains the same ingredients as the 'Chinese Liniment,' and is, in effect, the same medicine. On the

filing of the answer, a motion will be heard to dissolve the injunction."¹⁴⁸

A competing business firm is bound to deal fairly in placing its rival articles on the market. If, therefore, it clearly appears that a party has closely imitated another's label, to the obvious damage of the latter's business, a court will grant relief on the ground of fraud.¹⁴⁹ So a preliminary injunction will be granted when the court is satisfied that the labels are devised with an intent to deceive the purchasing consumer into the belief that he is buying the goods of another, where such label is in fact well calculated to deceive.¹⁵⁰ Thus, for illustration, a label on whiskey bottles, which in size, shape, and color is an evident imitation of the the label of a well-known brand of whiskey, and which differs from it merely in some details of the description on the label, although the name of the whiskey and the parties are not the same on both labels, is a fraud, the use of which will be enjoined.¹⁵¹ So, where the labels on complainant's tobacco packages had a representation of a shield or banner, and an ellipse, with a circle of the words "smoke and chew"

¹⁴⁸ Coffeen v. Brunton (1849) 4 McLean, 516, Fed. Cas. No. 2,946, 7 West. Law J. 59, Cox, Amer. Trade-Mark Cas. 82, Cox, Manual Trade-Mark Cas. 52; Centaur Co. v. Link (1901) 62 N. J. Eq. 147.

¹⁴⁹ Schmidt v. Brieg (1893) 100 Cal. 672, 35 Pac. 623; Kinney Tobacco Co. v. Maller (1889) 53 Hun (N. Y.) 340; Colman v. Crump (1877) 70 N. Y. 573; Enoch Morgan's Sons Co. v. Troxell (1882) 89 N. Y. 292; Oppermann v. Waterman (1896) 94 Wis. 583, 69 N. W. 569; Cleveland Stone Co. v. Wallace (1892) 52 Fed. 431; Burke v. Cassin (1873) 45 Cal. 467,—citing Amoskeag Mfg. Co. v. Spear (1849) 2 Sandf. (N. Y.) 599; Stokes v. Landgraff (1853) 17 Barb. (N. Y.) 608; Fetridge v. Wells (1857) 4 Abb. Pr. (N. Y.) 144; Coffeen v. Brunton (1849) 4 McLean, 516, Fed. Cas. No. 2,946; Williams v. Johnson (1857) 2 Bosw. (N. Y.) 1; Croft v. Day (1843) 7 Beav. 84.

¹⁵⁰ Scheuer v. Muller (1896) 20 C. C. A. 161, 74 Fed. 225.

¹⁵¹ Hiram Walker & Sons v. Hockstaeder (1898) 85 Fed. 776; Pillsbury-Washburn Flour-Mills Co. v. Eagle (1897) 82 Fed. 816, followed in form of decree.

in red and yellow, and the defendant's labels had the same figures and colors and the words "smoke and chew," and were so much like the complainant's that one might easily be mistaken for the other, it was held that the wrappers were a palpable imitation, and that their use should be enjoined, although one was called "Peach Blossom," and the other "Sweet Lotus."¹⁵² But the imitation must be of such a character as to have a tendency to deceive; hence, one who uses, in connection with pale ale, a plain red triangle stamped on the label, cannot enjoin, on the ground of unfair competition, one who uses, in connection with his lager beer, a similar red triangle having a large white "Z" thereon, the labels and posters being so utterly unlike that the ordinary purchaser would not be deceived.¹⁵³

Where complainants had long used characteristic labels to distinguish a particular brand of champagne in bottles which had been long and favorably known, the defendants were restrained from using labels of the same kind and color sufficiently corresponding in general appearance to deceive the ordinary customer, and manifestly designed to enable unscrupulous persons to palm off a spurious article on the public.¹⁵⁴ So, one who uses a name or mark which is free to the public, in connection with a label purposely imitating the label of another, which he has the exclusive right to use, for the purpose of utilizing, by the use of a simulated label, the reputation of such other, will be enjoined from the further use of such label, and held to account for previous damages.¹⁵⁵

¹⁵² *Wellman & Dwire Tobacco Co. v. Ware Tobacco-Works* (1891) 46 Fed. 289.

¹⁵³ *Bass, Ratcliff & Gretton v. Henry Zeltner Brewing Co.* (1898) 87 Fed. 468.

¹⁵⁴ *Von Mumm v. Wittemann* (1898) 85 Fed. 966.

¹⁵⁵ *Saxlehner v. Nielson* (1898) 88 Fed. 71.

The appellant began the manufacture of mustard in Lexington, Ky., many years after the appellee and those through whom he claims. After the appellant had been in business several years, appellee moved his business to Louisville, Ky., and soon thereafter the appellant commenced to use a blue label on his can similar in size, form, and color to the label that had long been in use by the appellee upon cans of the same size and shape. The letters used on the two labels were of the same color, and strikingly alike in size. The directions for use were the same, and the words of caution, although unusual, were very much alike. In addition, the tops of the cans were fastened with a strip of cloth similar in color to that used by appellant for the same purpose. The appellee was enjoined from packing, labeling, or marking his mustard with any colorable imitation of appellee's blue label, and also from using the words of caution thereon.¹⁵⁶

A statement on a label which is an imitation of the labels used by the complainant in connection with a preparation of chicory made by him in Germany, that the contents of defendant's package is "Chicorien Kaffee aus der Fabrik von E. B. Muller & Co., in Roulers (Belgien)," is misleading and unfair when the only thing done in Belgium is to harvest the chicory root.¹⁵⁷

§ 254. Dissimilarity.

Dissimilarities appearing by comparison of wrappers and labels are not the test of unfair competition. It is the resemblances that should be looked to, rather than the differences, although both should be taken into consideration. It is a simple matter, upon the comparison of two trade wrappers, to observe dissimilarities, but the purchaser has not

¹⁵⁶ *Metcalf v. Brand* (1887) 86 Ky. 331.

¹⁵⁷ *Scheuer v. Muller* (1896) 20 C. C. A. 161, 74 Fed. 225.

ordinarily the advantages of comparison.¹⁵⁸ An article may be advertised by a certain catch word, easily retained in the memory. An imitation of it may be sufficient to deceive purchasers exercising ordinary care, although the wrapper, in other respects, may be dissimilar.¹⁵⁹ Both resemblances and differences must be taken into consideration, and where the latter, though less conspicuous, so negative the former as to impose themselves upon a person who examines them with a view to ascertain who was the real manufacturer of the article, an unlawful imitation will not exist or be found by the court.¹⁶⁰ In order to justify the intervention of a court of equity, it is sufficient that the imitation is so close that a crafty vendor may palm off on the buyer the article manufactured by one as that of another. It is no answer to an application for an injunction, that in certain particulars, the label of the defendant differs from that of the plaintiff, so long as the imitation in other respects is so close that the general appearance is the same, and purchasers have been and are likely to be deceived.¹⁶¹

§ 255. Sale of Labels to Plaintiff's Competitors.

A court of equity will restrain a person from selling labels to parties who use them in unfair competition with the business of the plaintiff. It was so held where the defendant sold labels to be used as wrappers for molasses candy, although

¹⁵⁸ Pillsbury v. Pillsbury-Washburn Flour Mills Co. (1894) 24 U. S. App. 395, 12 C. C. A. 432, 54 Fed. 841; Sterling Remedy Co. v. Gorey (1901) 110 Fed. 372; Paris Medicine Co. v. W. H. Hill Co. (1900) 42 C. C. A. 227, 102 Fed. 148.

¹⁵⁹ Stuart v. F. G. Stewart Co. (1899) 33 C. C. A. 480, 91 Fed. 243.

¹⁶⁰ Proctor & Gamble Co. v. Globe Refining Co. (1899) 34 C. C. A. 405, 92 Fed. 357. See, also, Coats v. Merrick Thread Co. (1893) 149 U. S. 562, 13 S. Ct. 966; Corbin v. Gould (1890) 133 U. S. 308, 10 S. Ct. 312.

¹⁶¹ Brown v. Mercer (1874) 37 N. Y. Super. Ct. 265.

the complainant did not allege that the wrappers were not susceptible of an innocent use, or that defendants took part in their improper use, or intended them for such use. "Although the bill does not allege an unlawful use in the sale of molasses candy, it does allege repeated interference with the plaintiff's business by unlawful imitation of the appearance of his goods, which could be done upon other goods of the same sort, not specifically molasses candy, as well as with that. The foundation of the right to proceed in equity in such cases is the repeated tort, for which repeated suits at law would be an inadequate remedy. In torts all participants are principals, and the plaintiff could doubtless maintain an action at law against the defendant for each of the diversions of his business produced, brought about or contributed to by the defendant, as alleged in the extracts quoted from the bill. The multiplicity having furnished equitable jurisdiction, the right to maintain the bill, upon the allegations quoted, and others of the same import, for full relief, follows."¹⁶²

Another case in which the defendant attempted to escape responsibility by showing that he manufactured the labels on the order of another party well illustrates the searching powers of a court of equity. "The label complained of and admitted to be prepared and used by the defendant is of the same size, color, and type, and of the same general appearance, as that of the complainant, being divided into compartments corresponding with those in his label. The inscriptions, although not identical, appear very like. The general designation is in these words: 'Sawin's Soluble Blue and Pepper Box.' Placing the two labels side by side, it is easy to distinguish them. But ordinary persons, in the

¹⁶² *Hildreth v. Sparks Mfg. Co.* (1899) 99 Fed. 484. See chapter 9, § 199.

habit of buying the complainant's bottles, would be very easily deceived into buying the defendant's for them, the general appearance being so similar in every respect. That the defendant's label is a designed imitation of the complainant's scarcely admits of a doubt. Such perfect similarity could hardly have been the result of chance. We do not mean to say that it would be a justification if it were accidental; but it is apparent that it was designed. Sawin is not the defendant's name. Why then, did he use Sawin's name, and not his own? It was evidently done for the purpose of making a closer imitation of Sawyer's label. The defendant, it is true, alleges that he does not put up the bluing for himself, but for a firm by the name of Barron & Co., who directed him to adopt the label in question. But this is no excuse for him unless Barron & Co. were entitled to use the label. The defendant attempts to show that they had such a title by having hired from Sawin the right to use his name. This pretext is too shallow. It is shown, indeed, that Sawin did manufacture bluing, and used a label of his own, but it was wholly unlike the label in question. The use of his name by Barron & Co. in the label complained of was evidently obtained for the purpose of making it more closely resemble Sawyer's. Sawin's bluing had no such reputation in the community as to make it an object to hire his name. As the label stands, it speaks a falsehood. The article covered by it is not 'Sawin's Soluble Blue,' and it is not 'prepared by W. E. Sawin, Jr.,' as stated at the foot of the label. It evidently speaks this falsehood for a purpose, and that purpose, we are satisfied, is to obtain a closer imitation of Sawyer's label. It is no excuse for the defendant that he does this work for other persons. He is just as guilty as if he did it for himself. All who are concerned in

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the commission of a tort are alike amenable to the party injured."¹⁶³

§ 256. Game of District Messenger Boy Case.

In an action brought to restrain the defendants from using an alleged trade-mark or trade-name and label of the plaintiffs, it appeared that the plaintiffs, the vendors of a game, prepared a colored label to be used on a box containing a game board, to which they gave the name of "Game of District Messenger Boy." They caused a book of instructions to be copyrighted, and thereafter continued to manufacture and sell the game in a box to which a colored label was affixed, and, as a result of advertising, it "obtained quite a reputation as one of the plaintiff's best games." Subsequently the defendants began to manufacture a game known as "The Messenger Boy," which they put up in a box to which similar labels were attached. The game was inferior to that of the plaintiffs, and its sale was calculated to injure the reputation of the plaintiffs' game, and, as a result, to diminish its sale. It was admitted that defendants' label was an intentional imitation of that of the plaintiffs, and on its face had a tendency to mislead persons, and to cause them to mistake it for the original label on plaintiffs' goods. It thus appearing that defendants' label was a palpable imitation of that of the plaintiffs, and the facts showing unfair competition, an injunction issued restraining its further use. The court said that it was not necessary that plaintiffs should show that persons were actually deceived by defendants' label.¹⁶⁴

§ 257. Canadian Rye Whiskey Case.

In this case the court said: "I think that the use by the

¹⁶³ Sawyer v. Kellogg (1881) 7 Fed. 721.

¹⁶⁴ McLoughlin v. Singer (1898) 33 App. Div. (N. Y.) 185.

defendants of the words 'Canadian Rye Whiskey,' and of the crown and diamond upon the label in such way as to so nearly resemble complainant's trade-marks, constitutes an infringement of such trade-marks, and that all the labels, brands, capsules, devices, words, and lettering upon defendants' bottles so nearly simulate those upon complainant's bottles as to constitute unfair competition, intended to deceive purchasers, and appropriate the trade of complainant."¹⁶⁵

§ 258. **Royal Baking Powder Case.**

The words "Coral Baking Powder," in connection with cans and labels of the same general appearance, are such an imitation of the words "Royal Baking Powder" that an injunction will be granted.¹⁶⁶

§ 259. **Saponifire Case.**

The complainant had long sold concentrated lye in cylindrical packages, with labels having a white background with black lines around the margin, bearing in large black letters the word "Saponifire." The defendant adopted a similar package and similar label, with the same word in prominent black letters, placing his own trade-mark on the label, and otherwise differentiating the reading matter appearing in small type. He deliberately sought out the localities in which the complainant had created a demand for "Saponifire," with the purpose and result of enabling retailers to pass off his article for complainant's. It was held that this was unfair competition, and that the defendant should be enjoined.¹⁶⁷

¹⁶⁵ *Hiram Walker & Sons v. Mikolas* (1897) 79 Fed. 955. citing *N. K. Fairbank Co. v. R. W. Bell Mfg. Co.* (1896) 23 C. C. A. 554, 77 Fed. 869.

¹⁶⁶ *Royal Baking Powder Co. v. Davis* (1885) 26 Fed. 293.

¹⁶⁷ *Pennsylvania Salt Mfg. Co. v. Myers* (1897) 79 Fed. 87.

§ 260. P. Lorillard's Tuberosse Case.

Plaintiff used as a label for tobacco packages the word, "P. Lorillard's Tuberosse," peculiarly placed with reference to each other. The letters composing the name of the manufacturer decreased in size from left to right, and those composing the name of the brand increased in like manner. Defendant's label used the words, "Peper's True Smoke," the words and letters being arranged in the same way as upon plaintiff's label. Both packages were of the same size and shape, which characteristics were common to the trade, and both were made of blue and white striped cloth, although the stripes in defendant's packages were four times the width of those in plaintiff's. It was held that the resemblance was not sufficient to warrant the issuance of an injunction.¹⁶⁸

§ 261. Morse's Syrup of Yellow Dock Case.

This case illustrates well what is meant by a colorable imitation of wrappers and labels. The complainants manufactured and sold a liquid medical preparation known to the public as "Morse's Syrup of Yellow Dock." It was put up in bottles of a form not peculiar to the complainants, but in use for other purposes. Each bottle had formed on its back, in the substance of the glass, the words "Dr. Morse's Celebrated Syrup," and was inclosed in a wrapper having a label thereon bearing descriptive words, among them the words "Morse's" and "Yellow Dock." The respondents used to a small extent, for a liquid medical preparation, bottles precisely similar in form and size to those used by the complainant. Each bottle had formed on its back, in the substance of the glass, "Dr. Morse's Celebrated Syrup," in precisely the same form as used by the complainants. Respondents' bottle, however, was not inclosed in a wrapper, and had a label pasted

¹⁶⁸ P. Lorillard Co. v. Peper (1898) 30 C. C. A. 496, 86 Fed. 956.

directly on the glass, and there was no similarity between respondents' labels and complainants' other than in the use of the significant words "Morse's" and "Yellow Dock," without any name of maker or seller. It was held that the respondents had infringed the rights of the complainants by using a bottle having the same form as that used by the complainants, and having the same words formed in the substance of the glass, and an injunction issued.¹⁶⁹

§ 262. No-To-Bac Case.

Plaintiff's remedy for the tobacco habit was prepared in the form of tablets five-eighths of an inch in diameter, weighing twenty-eight to the ounce, of a light-gray color, odorless, and having the word "No-To-Bac" in raised letters on the surface. It was put up in tin boxes of a dark-red color, bearing the word "No-To-Bac," with the plaintiff's name and address conspicuously printed in black, with a description of its alleged qualities and effects, and directions for its use, of which the first was the instruction to discontinue the use of tobacco. The defendant manufactured a remedy for the same habit, to which it gave the name of "Baco-Curo," and which was also prepared in the form of tablets, but of less than one-half an inch in diameter, weighing forty-one to the ounce, of a dark-brown color, having a strong odor of liquorice, and with a smooth surface; it was put up in tin boxes, of a size and shape similar to plaintiff's, but nearly white in color, having the word "Baco-Curo" and the defendant's name and address conspicuously printed in green, with a description of its alleged qualities and effects similar to that of the plaintiff's remedy, and directions for use. The first instruction was not to discontinue the use of tobacco, and this was followed by a warning against remedies which required

¹⁶⁹ Alexander v. Morse (1883) 14 R. I. 153.

the user to discontinue such use of his own free will. Upon this showing it was held that the defendant's method of putting up and advertising his goods indicated no intention to deceive the public into buying his remedy, and therefore did not constitute unfair competition.¹⁷⁰

§ 263. Clark's Thread Case.

Through a long course of successful dealings, plaintiff had established a high reputation and extensive market for thread manufactured and sold by it, which was known as "Clark's Thread," and was put up on spools each bearing a round label with the name "Clark's" in the upper part of the circle, and the words "Spool Cotton" in the lower part, and the letters "O. N. T.," separated by periods, horizontally across the middle. The defendant, immediately after its incorporation, began the manufacture of a thread which it put up on spools with a label in all respects like the plaintiff's, except that it bore the letters "N-E-W," separated by hyphens, in place of the letters on the plaintiff's label. It was held that this was calculated to create confusion and misunderstanding, and that the acts of the defendant were a fraudulent invasion of the goodwill of the complainant, and an unfair and inequitable competition. The circuit court¹⁷¹ enjoined the defendant against the use, by labels, circulars, publication, or by word of mouth, of the designation "Clark's" as the name or part of the name of the thread manufactured by the William Clark Company, and from selling thread manufactured by said company under the name of "Clark's" or "Clark's Spool Cotton" or "Clark's Thread," but did not

¹⁷⁰ Sterling Remedy Co. v. Eureka Chemical Mfg. Co. (1895) 70 Fed. 704.

¹⁷¹ Clark Thread Co. v. Armitage (1895) 67 Fed. 896.

restrain the use of the letters "N-E-W." Upon appeal, the decree of the circuit court was affirmed, but it was held that the defendant should also be restrained from using the letters "N-E-W."¹⁷² The court of appeals found from the evidence and exhibits, including the advertising matter sent out by the defendants, that the purpose of the similarity was to deceive the public into the belief that the article was manufactured by the old and well-known manufacturer, and the "N-E-W" indicated a new kind of the old Clark's Spool Cotton.

§ 264. Hoff's Malt Extract Case.

The complainants acquired the right to the manufacture and sale in this country of Johann Hoff's Malt Extract under labels and trade-marks long used in Germany. This compound had been known for many years in this country indiscriminately as "Johann Hoff's Malt Extract," and as "Hoff's Malt Extract." Afterwards defendant acquired the right to import and sell Leopold Hoff's Malt Extract,—an article manufactured at Hamburg, but from alleged different formulae. It was held that the defendant had no right to sell this compound in bottles having a label bearing conspicuously the words, "Hoff's Malt Extract," although on a different part of the label, and on a separate label the fact was stated that it was made by Leopold Hoff, in Hamburg. The defendant was enjoined from using those words unless preceded by the word "Leopold," so as to read "Leopold Hoff's Malt Extract."¹⁷³

§ 265. Sarsaparilla and Iron Case.

A palpable imitation of a label for a medicinal compound

¹⁷² Clark Thread Co. v. Armitage (1896) 21 C. C. A. 178, 74 Fed. 936:

¹⁷³ Johann Hoff v. Tarrant & Co. (1896) 71 Fed. 163.
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called "Sarsaparilla & Iron," both labels having the word "Sarsaparilla" at the top in large letters, and the word "Iron" in the border and lower half of the label, and both having parallel lines across the middle, with the names of the manufacturers between, and their monograms in the same position, both having the words "Great Blood Purifier," and "Cures All Skin Diseases," printed in the lower half of the label, while the only material difference in the design and appearance of the label is in the color, constitutes unfair competition, although there is no valid trade-mark in any of the words copied.¹⁷⁴

VII. IMITATION OF DRESS OR FORM OF PACKAGE.

§ 266. In General.

A person may acquire an exclusive right to the use of a package of a fixed shape, style, and dimensions, with emblems, labels, and other devices thereon, and the name to represent its contents, notwithstanding the fact that each one of these distinguishing features might separately be used by another person.¹⁷⁵ The mere package, without sym-

¹⁷⁴ Schmidt v. Brieg (1893) 100 Cal. 672, 22 L. R. A. 790; Schmidt v. Welch (1893) 35 Pac. 626. The plaintiff had no exclusive right to the use of the words "Sarsaparilla & Iron," and therefore, where the only similitude is in the use of these words, no rights are infringed.

¹⁷⁵ Fischer v. Blank (1893) 138 N. Y. 244. A manufacturer who, for the purpose of presenting his goods to the public, adopts a certain combination of features, in part old and in part new, will be protected against imitation. Hildreth v. D. S. McDonald Co. (1895) 164 Mass. 16, 41 N. E. 56, and cases there cited. In Humphrey's Homoeopathic Medicine Co. v. Bell (1888) 15 Daly (N. Y.) 6, it was said that a proprietary right might exist in an original and peculiar method or form of preparing, wrapping, boxing, and packing articles. In Sterling Remedy Co. v. Spermine Medical Co. (1901) 50 C. C. A. 657, 112 Fed. 1000, Jenkins, J., said: "We have spoken so frequently to the subject of unfair competition in trade, and have de-

bols thereon, may not be sufficient to constitute a trade-mark; but where the defendant's package resembled the complainant's in numerous particulars besides those of size, color, and form, an injunction was granted restraining the sale of that particular form of package, or any other form which should, by reason of the collocation of size, shape, color, lettering, spacing, and ornamentation, present a general appearance closely resembling complainant's package. But a clause was added to the effect that the injunctive order should not be so construed as to prevent the sale of packages of the size, weight, shape, or color of the complainant's package, provided they were so differentiated in general appearance as not to be calculated to deceive the ordinary purchaser.¹⁷⁶

Similar methods of advertising and dressing goods for the market, which, when considered alone, are immaterial and insignificant, may be important as tending to establish a design on the part of a dealer to palm his goods off as those of another.¹⁷⁷ "It must be admitted," said Mr. Justice Maynard, "that there is no single point of resemblance or imita-

clared the principles which, as we conceive, govern such cases, that the case before us calls for no special consideration of the facts. There was here manifest attempt to put upon the public the goods of the defendant as those of the complainant. The latter had provided a peculiar form for its tablets, and a box of peculiar shape. This form and shape had not before been used in connection with such medicine. It is clear that the defendant adopted the style and shape of the boxes, the color of the tablet, and the letter press upon the boxes and in advertising, to palm off his goods as those of the complainant. It is not a case of accidental imitation in some respect,—it is a case of deliberate and designed imitation in all respects. The facts bring the case under the ban of the law, and the complainant was entitled to relief."

¹⁷⁶ *N. K. Fairbank Co. v. R. W. Bell Mfg. Co.* (1896) 23 C. C. A. 554, 77 Fed. 869.

¹⁷⁷ *Joseph Dixon Crucible Co. v. Benham* (1880) 4 Fed. 527 (involves trade-mark); *Carbolic Soap Co. v. Thompson* (1885) 25 Fed. 625.

tion which would of itself be regarded as adequate grounds for the grant of equitable relief. Form alone would not be sufficient; nor size, nor color, nor the general decoration of the panels, nor disks of the same size and color, arranged in the same way; nor a label of the same shape and color attached to the same part; nor the use of the same name to designate the kind or quality of tea. * * * But when all or a number of them are combined in a single package, and so arranged and exhibited that, when they strike the eye of the intending purchaser possessed of ordinary intelligence and judgment, the false impression is likely to be produced that the goods of the plaintiffs are offered, it is the province of equity to interfere for the protection of the purchasing public, as well as of the plaintiffs, and for the suppression of unfair and dishonest competition."¹⁷⁸ In determining the question of fraudulent intent in the imitation of packages, it is not sufficient merely to note points of difference and resemblances,—the packages and labels must be considered as a whole.¹⁷⁹

Where the general appearance of the bottles and labels used in marketing a preparation known as "Castoria" was so nearly like that which had been used by another party for many years in the sale of his preparation under the same name as to deceive the ordinary purchaser, it was held that the right to an injunction was not defeated because changes had been made in the shape and color of the bottle, and in the tint of the labels, where the changes were so slight as not to attract attention, and the form and arrangement of the part which covered the front of the bottle remained, so as to deceive, and indicate an intention to defraud.¹⁸⁰

¹⁷⁸ *Fischer v. Blank* (1893) 138 N. Y. 244, 33 N. E. 1040.

¹⁷⁹ *P. Lorillard Co. v. Peper* (1898) 30 C. C. A. 496, 86 Fed. 956.

¹⁸⁰ *Centaur Co. v. Hughes Bros. Mfg. Co.* (1898) 34 C. C. A. 127,

§ 267. Color of Wrappers.

The mere fact that there is a resemblance in the color of the wrappers used upon the packages is not sufficient to warrant the granting of an injunction. Thus, in one case it appeared that the parties both sold soap powder in four-pound packages, of similar shape, and wrapped in paper of a dark-yellow color. One panel on each package was occupied by a vignette, with the name of the powder, and the name and address of the maker printed in large black letters. The other panels were occupied by directions for use, and commendations of the different powders. The vignettes and the names of the makers of the powders were entirely different. It appeared that there was keen competition between the parties, but there was no evidence that defendant had attempted to palm off his goods as those of the plaintiff. It was held that, as the complainant had no exclusive right to the color of the wrapper of his package, defendant was not guilty of unfair competition.¹⁸¹ But this case was subsequently reversed by the court of appeals. The evidence showed that the complainant, having commenced the manufacture of soap powder having new ingredients, giving it a yellow color, devised a new, distinctive, and attractive package of a yellow color, bearing the words "Gold Dust" and "Washing Powder," together with the maker's name, and with numerous *indicia* and directions upon the various panels. After it

91 Fed. 901; Centaur Co. v. Neathery (1898) 34 C. C. A. 118, 91 Fed. 891. See, also, Centaur Co. v. Reinecke (1898) 34 C. C. A. 684, 91 Fed. 1001.

¹⁸¹ N. K. Fairbank Co. v. R. W. Bell Mfg. Co. (1896) 71 Fed. 295. In Evans v. Von Laer, 32 Fed. 153, decided in 1887, it was held that, where the only resemblance between the defendants and complainant's packages was in the color of the labels and the use of the words "Montserrat Lime Fruit Juice," and the form of bottles, and it appeared that most of the lime-juice bottles were similar in size and design, an injunction would not be granted.

had sold soap powder in this form for two or three years, and expended large sums in advertising it, the defendant, which had been selling white soap powders, first in small red packages, and afterwards in packages shaped exactly like those of the complainant, but in other respects so different that any confusion of the two was impossible, began manufacturing yellow soap powder, which it styled "Buffalo Powder." It was put up in packages of the same size as the complainant's, with yellow wrappers of the same shade, and with numerous changes, all of which constituted an approach to those used by complainant, although avoiding exact similarity. It was held that, notwithstanding the word "Buffalo," together with defendant's name on the package, was distinctive, the changes were manifestly made with intent to simulate complainant's packages to enable retail dealers to pass them off as those of the complainant, and that an injunction should therefore issue.¹⁸²

§ 268. Form of Bottle.

There are numerous cases in which the form of bottle in which the manufactured article is sold is an important fact, which tends to establish unfair competition. It generally arises in connection with a particular label, but the similarity in the bottles alone may be such as to in itself entitle plaintiff to an injunction. Thus, where the manufacturer of root beer adopted a new and peculiar form of bottle, by which principally its product became known and recognized by consumers, the intentional imitation of such form by a competing manufacturer, who commenced business subsequently, for the purpose of deception, in itself constitutes unfair competition, against which the original user is entitled to an injunction.¹⁸³

¹⁸² N. K. Fairbank Co. v. R. W. Bell Mfg. Co. (1896) 23 C. C. A. 554, 77 Fed. 869.

¹⁸³ Charles E. Hires Co. v. Consumers' Co. (1900) 100 Fed. 809. In (479)

In another case it appeared that the plaintiff, under a contract with the distiller of a popular brand of whiskey, bottled such whiskey at the distillery, and sold it under labels stating that it was so bottled, bearing the distiller's guaranty of purity, which obtained favor for it on the market. The bottles used were of a peculiar shape, originally devised by the plaintiff, and which, through extensive advertising, had become to be generally relied upon by purchasers as a means of identifying the whiskey bottled by it. After the adoption by the plaintiff of such peculiar bottles, the defendants, who had dealt for some years in whiskey bottled by themselves, began the use of a bottle precisely similar in shape and appearance to that used by the plaintiff, although bearing labels which were in no sense imitations of the plaintiff's labels. Upon this showing it was held that the defendants

Van Hoboken v. Mohns & Kaltenbach (1901) 112 Fed. 528, it appeared that certain distillers had for years put up gin in a distinctive style of bottle, with the firm name and address and registered monogram and trade-mark blown in the bottle. One who refills these bottles with an inferior quality of gin, and sells it to the trade without notice that it is not the genuine, will be restrained, although the bottles do not have the distiller's monogram, paper label, and stamp on the cork, and it is sold at a less price than the genuine article. After considering the case as one of trade-mark, the court said: "If we consider the case as one of unfair competition, the same result must follow. As was said in the various *Hostetter Cases* (1897) 84 Fed. 333, (1900) 107 Fed. 705, and (1901) 110 Fed. 524, the doctrine of unfair competition rests upon the proposition that men must be honest in their business transactions, and rely upon the merits of their own goods, and not undertake to palm off inferior goods as and for goods of the genuine manufacturer. Even if the respondent in the case at bar was using the bottles of complainants as a mere convenience, without dishonest motives, the custom of refilling receptacles bearing distinctive trade names or marks with other manufactures is too dangerous, and affords too great an opportunity for fraud against the owners of valuable preparations, to be permitted." See chapter 3, § 79.

were engaged in unfair competition, and an injunction issued to restrain them from the use of the bottles.¹⁸⁴

In an earlier case it appeared that Johnson's Anodyne Liniment had been sold for more than fifty years in bottles of a certain size and style, having a blue wrapper and a purplish label, bearing a certain description, and a *fac simile* of the name of A. Johnson, the original proprietor. Defendant's article was called "Johnson's Anodyne Liniment," and appeared in the same size bottles, with similar blue wrappers, and a label differing but little from that of the genuine article, except slightly in color, and bore a *fac simile* of the name of the defendant, F. E. Johnson. There was evidence of actual deception, and the defendant was restrained from the sale of his article in such form.¹⁸⁵

So, where the defendants used a bottle for bitters which had the peculiar form and color, round shoulders and short neck of the complainant's bottle, with a label containing the words "Thellers Celebrated Stomach Bitters," and a monogram of the letters "A. T." in the place of the picture of St. George and the dragon, used by complainants, and a black shield below the monogram, which greatly resembled the complainants' shield, and, below the shield, an imitation of the lettering upon the genuine label, an injunction was issued.¹⁸⁶

In an early case a defendant was enjoined from using a style of bottle and label which had a general resemblance in form, symbol, and accompaniments to those of the complainant, and which were calculated to deceive the public.¹⁸⁷

Where plaintiff used, on a bottle in which he sold liquid

¹⁸⁴ Cook & Bernheimer Co. v. Ross (1896) 73 Fed. 203.

¹⁸⁵ Jennings v. Johnson (1888) 37 Fed. 364.

¹⁸⁶ Myers v. Theller (1889) 38 Fed. 607.

¹⁸⁷ Bininger v. Wattles (1865) 28 How. Pr. (N. Y.) 206.

bluing, a bright metallic cap of tin, that extended down over about one-half of the rim at the mouth of the bottle, the cap having six perforations, the defendant was restrained from using, for the sale of his bluing, a similar cap, and bottles of the same shape and appearance as those of the plaintiff.¹⁸⁸

It was held that the label and method of preparation for market of "Hostetter's Celebrated Stomach Bitters" was infringed by that adopted for "Clayton & Russell's Celebrated Stomach Bitters," inasmuch as the latter was plainly copied from the former by design, and its general effect was such as to deceive the ordinary observer having no cause to use more than ordinary care. It was shown that there were no such persons as Clayton and Russell, and that defendant's label was prepared from plaintiffs' by intentionally imitating it in parts thereof. The court said: 'It is plain that it is a copy from the plaintiffs' by design. Variations are made of such a character as to be capable of discernment and description; but the general effect to the eye of an ordinary person, acquainted with the plaintiffs' bottle and label, and never having seen the defendant's label, and not expecting to see it, must be, on seeing the defendant's, to be misled into thinking it is what he has known as the plaintiffs'. The size, color, and shape of the bottle, the four lines of letters at the top of the label being, as to the three lower ones, identical, and, as to the upper one, differing only in the name, the general effect of the horse and his rider, the size and shape and color of the shield, the white letters in it, and their size and arrangement in lines contracting in length towards the lower point of the shield, the whole in black on a white ground, and the border, give an affirmative resemblance calculated to deceive an ordinary observer and purchaser, having no cause to

¹⁸⁸ Sawyer Crystal Blue Co. v. Hubbard (1887) 32 Fed. 388, citing Evans v. Von Laer (1887) 32 Fed. 153.