Trade-Marks, Trade Names, Unfair Trade

James G. Jenkins
TRADE-MARKS, TRADE NAMES, UNFAIR TRADE*

THE LATE HONORABLE JAMES G. JENKINS**

CENTURIES before the art of printing was discovered, long before writing or reading was common among men, in the very dawn of commerce, symbols of ownership or of origin were employed as a matter of necessity. It was essential that things should be identified by some mark which caught the eye and which would abide in the memory, and so, in trade, the symbol became associated with the article and became a guarantee to the purchaser of its origin and quality. This protected both the seller in his business and the buyer in his purchase. As a brand upon cattle was a mark of ownership, as the ancient seal to a deed was the badge of authenticity, so the symbol upon goods became the mark of origin and proprietorship, assuring the purchaser that the property bought was made by the proprietor of the symbol and was of that degree of excellence with which the purchaser had become familiar and of which he had approved. The custom is very ancient, and was applied in every department of commerce. The symbol is found upon the great blocks of stone which entered into the construction of the pyramids of Egypt, and of the Temple of Solomon. It was prevalent in India and China over three thousand years before Christ.

The law of the subject has grown out of the custom which has survived the original necessity of its being. Since the invention of type and printing and since reading and writing have become general, the custom remains because of its usefulness. It avoids the need of careful scrutiny of printed matter, and the striking symbol catches the eye and abides in the recollection. The custom has become crystalized into law for the protection of both seller and buyer. But this law—as may be observed with reference to all law, to all things, to all institutions—has been of slow growth. It has had its infancy—it now has its manhood. This law is the outcome of the necessity of honest dealing in commercial matters. It arose from the need of the protection of man from the fraud of his fellowmen. It has received a wonderful impetus within the last fifty years, owing to the swelling importance and demands of commerce, and is of

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special interest at this day by reason of the enormous trades, international and domestic, carried on in articles on which trade marks are a prominent feature.

The date of the origin of this law in the common law of England is obscure. It is claimed by some to date as far back as the Yearbooks in the fourteenth century; but the earliest recorded case dates no further back than the time of Elizabeth. This case is referred to in Southern v. How¹ where doubt is expressed whether the suit for deceit was brought by the defrauded purchaser or by the proprietor of the trade-mark. It was probably by the former, and so, by slow degrees, the law has grown until now it has become of general application.

In the early history of the law, the remedy for the sale of goods under a counterfeited trade-mark was exclusively by action at law. As late as 1742, Lord Hardwicks, in Blanchard v. Hill,² declined to interpose the writ of injunction to restrain the illegal use of a trade-mark, and observed that he did not know of an instance of granting an injunction to restrain one trader from using the same mark with another, and he thought it would be of mischievous consequence to do it. It was not until 1803, in Hogg v. Kirby,³ that a court of equity assumed jurisdiction and allowed an injunction in case of fraudulent trading. Since then the resort to courts of equity by injunction to restrain the threatened wrong has become universal.

No action at law for deceit is now brought by the defrauded purchaser, for manifest reasons. The damages would be too inconsiderate to warrant the cost and trouble of the action. Nor would such a suit avail to stay the invasion of the right. Nor would the action at law be adequate to give a remedy to the manufacturer, or to the owner of the trade-mark, since he could recover only his lost profit if the genuine instead of the spurious article had been sold; and so slight would be his injury in the case of the sale of a single, or a few articles, that the recovery would not deter the counterfeiter of the trade-mark from pursuing his illegal trade.

Equity alone can give full and adequate remedy, awarding damages for the wrong inflicted, and, by its restraining power, preventing future invasion of one's protected right.

This right to a trade-mark is not only protected at common law, but it has also been guarded by statute. In July, 1870,⁴ and on August 14,

¹ Cro. J., 471.
² 2 Atk. 484.
³ 8 Ves. 215.
⁴ 16 Stat. 198, R. S. 4937 to 4947.
1876, the Congress of the United States, by an act entitled "An Act to Revise, Consolidate and Amend the Statutes Relating to Patents and Copyrights," provided for the registration of trade-marks and punishment for the piracy of such registered trade-mark. This act was passed, manifestly, with the belief that trade-marks came within the domain of patents and copyrights. The Supreme Court of the United States, however, in 1879, held that "the ordinary trade-mark has no necessary relation to invention or discovery."

The trade-mark is, in a sense, in the nature of a monopoly. He who uses a symbol upon his manufactures has alone the right so to use it. The right is exclusive in him. Yet, it is quite different from the monopoly of patents and copyrights. The trade-mark is not a product of invention. It is merely the adaptation of a particular symbol to particular goods. It does not involve a high operation of the mind, as is the case of patents and copyrights. These latter are granted by statute and only for a specified term. On the other hand, the trade-mark is the child of commerce and of the common law, and the monopoly exists so long as the manufactured article to which the symbol is attached is placed upon the markets of the world.

The court, in this respect, further held that under the eighth clause of the eighth section of the first article of the constitution, the Congress was without power to legislate upon the subject, and that if the act could be upheld as a regulation of commerce under the interstate commerce clause of the constitution, it must be limited to the use of trade-marks in "commerce with foreign nations, among the several states, and with the Indian tribes." It was void because its provisions are applicable to all commerce and not to that which is subject to the control of the Congress.

Subsequently, on March 3, 1881, another act was passed by Congress, which was, in effect, a re-enactment of the former acts, except that its scope was limited to trade-marks used in the commerce with the Indian tribes and foreign nations. Such legislation is manifestly constitutional, but is of little moment except as to international commerce. The act would clearly be constitutional if it embraced interstate commerce and it would have covered a much broader field. Why the act was so restricted in operation can only be surmised. It was probably due to some supposed political reason.

While any legislation upon the subject by the Congress is useful in respect of the registration of trade-marks as affording certainty

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6 19 Stat. 141.
6 Trade-Mark Cases, 100 U. S. 82.
of proof with respect to the date of appropriation of the trade-mark, it must always be remembered that in the United States of America, a trade-mark does not derive its value as property from statute but from the common law; not from registration, but from public use; from the offering for sale of an article to which the device is physically attached. The commercial features of the statute, however, would be of great importance if they were applied to interstate commerce, affording much more certain protection to the owner of the trade-mark than is given by any law of the state.

This trade-mark is property. It is as much and as rightfully property as a piece of real estate, as a stock of goods, as the good will of the business. The manufacturer, say of flour, commencing business desiring to secure trade, makes an article of flour of peculiar quality. He uses the eagle for his brand. He expends money in making that brand known in advertising, and, after a time, through energy and diligence in business, the flour becomes widely known as the "Eagle" brand of flour. The right to that brand, attached as indicative of his manufacture, is just as much property in the manufacturer, and he has just the same right to protection under the law, as the real estate, or the goods or the reputation that one has. It is valuable property, and the law protects the right of property upon two grounds. The first, which may be termed the legal ground, is the protection of individual right. Men have invested money largely in establishing particular brands, particularly trade-marks. Therein the worth of them consists. Of themselves they are worthless. There is no originality to them. It is not the conception of genius or of any particular ability. It sometimes largely consists in the oddity of the brand, something that will attract attention, and it is developed and made known largely by advertisement, by personal solicitation, and large sums of money are expended before any return can be had in making that brand known to the public. When it becomes known, then, like a snowball rolling down hill, accumulating as it rolls, the trade becomes a valuable and profitable trade. It is that right of a man to his diligence and skill, which the law protects in seeking by damages at law and by way of injunction in equity, to prevent infringement of this right.

The equitable ground upon which the right is protected by injunction is to prevent the deception of the public. This ground is probably more prominent because it is only in comparatively recent years that equity has assumed jurisdiction of this class of cases and has rested jurisdiction upon that ground as a proper ground for equitable interference. This equitable ground rests upon the idea that the public ought to be protected from fraud in their right to obtain just what they
desire. It is no answer to say that the article which infringes is a better article than that of the mark which is infringed, and that the purchaser and the public are not injured because they get a better article than they thing they are getting—and this, because one has the right to buy that which one intends to buy, and no man has the right to impose upon one even to one's own benefit, and give a better article for and as the particular article which one desires. If one wishes a particular article, he has the right, without hindrance, without deception and without fraud practiced upon him, to get that particular article, although another manufacturer may make what is intrinsically a better article, and seek to impose it upon one as the particular article which he desires.

It is not essential to a valid trade-mark that its use should have been long continued, or that the articles upon which it is used should be widely known or should have attained great reputation. It is sufficient if the article with the mark upon it has become actually a vendable article in the market, with intent by the proprietor to continue its production and sale.\(^6\)

As the law protects the skill and industry which has produced the article to which the trade-mark has been attached and by which it has become known and found favor with the public, so the merchant who buys of the manufacturer the article to which the trade-mark is attached, acquires also by virtue of his relation to the manufacturer, the right to sell that article with the trade-mark attached. He does so only, however, by virtue of his contract relation with the manufacturer. By virtue of having purchased of the manufacturer, he has thereby vested in him the right to sell that particular article so sold to him with the trade-mark attached.

This right of ownership in a trade-mark may be transferred as other property rights are transferred. It is something that may be sold, but can be sold only in connection with the article to which the trade-mark is attached, with the right to manufacture the particular article. The trade-mark, without the thing manufactured and the right to manufacture it, cannot be transferred. This may be illustrated by a case which goes to establish that one may, under peculiar circumstances, cease to have the right to use his own name as a trade-mark or trade name. In the case of Compere v. Bajou, in the French courts, B, a manufacturer of gloves in Paris, transferred to one M, his business and its good will, authorizing him to adopt his trade-mark on gloves

manufactured by him, which trade-mark was a simple facsimile of the signature of B. B agreed not to make gloves in France except at G, and then to call them "G" manufacture only. B gave M the exclusive right to that name on gloves, but commenced to manufacture gloves at G and stamped his signature upon them. It was held by the highest court in France that the had transferred his right to that name in connection with gloves, the court observing that the true value of the business existed in the manufacturer's mark on which his custom depended, the stamp being the only means of establishing the source of custom and retaining the custom dependent upon it.

This transfer may be by operation of law as well as by the direct act of the party. If the manufacturer of an article should fail and be put in bankruptcy, and the court, acting through the assignee in bankruptcy, should sell out the business to a purchaser with the good will of the business, the right to the trade-mark would pass to the purchaser as against the bankrupt, who ceases to have any ownership in the trade-mark. So, also, in the case of a survivor of a partnership. This is illustrated by a curious case that is valuable on more grounds than one. Day & Martin was a firm in London engaged in the manufacture of blacking which had a high reputation. Then Day died. The survivor continued the business under the old name, manufacturing the blacking and attaching to the boxes the words "Day & Martin's Blacking," which was the trade name by which the article was known. After a time, the surviving partner died and the executors sold out to one C, who thereafter conducted the manufacture with the trade name of "Day & Martin's Blacking." Then Day's son associated with himself a man by the name of Martin and started and carried on the business of the manufacture of blacking, selling their product as "Day & Martin's Blacking," and the court enjoined their so doing. While that was their right name, yet upon the principle that the right of that trade-mark had vested in the survivor of the partnership and in the purchaser under the executors of the original Day & Martin, the son of the original proprietor and the man Martin with whom he associated, probably on account of his name, had no right, although their partnership name was Day & Martin, to dress themselves in other men's clothes, to put their names upon that blacking and palm it off upon the public as that manufactured by the old firm of Day & Martin, to whose business C had succeeded. 9

Thus a man may sometimes and under peculiar circumstances, and as to particular property, have no right to use his own name. This will be further considered in connection with the subject of unfair trade.

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9 Croft v. Day, 7 Beav. 84.
The fundamental principle of the law is simple and easy of comprehension. It is the touchstone by which every supposed infringement may be tested. It is this: no man shall sell his own goods as those of another. He shall not steal the reputation of another. He shall sell his own manufacture as things made by himself and not by another. In other words, he shall not dress in another man's clothes and pass himself off as another man. It is the principle of simple honesty. This is the foundation upon which is built the whole law of trade-marks, trade names, and unfair trade. The object of the law is that one who, through skill and energy, has placed upon the markets of the world, goods made by himself which have become known for their excellence and as made by him, shall be protected in his right to the just gains and profits to which his energy and skill have entitled him. The law has also a further object, which is to protect the community from imposition.

The definition of a trade-mark is this: It is a name, a symbol, a figure, a letter, a numeral, a form, a word, a combination of words, or any kind of a definite arbitrary device adopted and used by one to distinguish the goods he makes and offers upon the market, so adapted to distinguish them from those made and sold by some other person. The object is that such goods, through the energy and skill of the maker, may become known in the markets of the world as those of the maker, and that through their approved excellence a trade may accrue to the maker and he may receive the advantages, gains and profits resulting therefrom.

It is needful to observe the different characteristics of a trade-mark. It may be a name; it may be a picture; it may be a form, a shape, as, for example, a triangle, a picture of an eagle, a horse, or an Indian. It may be any arbitrary symbol which, used in connection with the name of the maker, shall indicate to the world where the article comes from and by whom it was made.

The device must not only be adopted by the maker of the goods, but it must be attached to the manufactured product and used thereon. There is nothing original in the figure of an Indian, the picture of an eagle, or the shape of a triangle. One cannot adopt symbols and, without use of them upon articles of commerce, have an abstract right in them. The property right in a trade-mark is acquired by adopting and using the symbol by physical attachment to that which is made and sold.

There need be no originality in the name, form, or device. Any name, form, or device may be appropriated and used, however ancient it may be, but it must be original in this—that the particular name, form or device, has not before been used in connection with, or to
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designate the particular kind of goods manufactured and offered for sale. For example: A certain miller has acquired a wide reputation in Europe and America for his flour. He stamped upon the heads of the barrels of flour the picture of an eagle, with his name underneath as the manufacturer. This flour became known all over the two continents as the "Eagle" brand of flour. In the course of trade, the name of the manufacturer is lost sight of. The consumer who buys the flour and is pleased with its quality, knows nothing of and cares nothing for the manufacturer, but he knows that particular flour as the "Eagle" brand of flour. Therefore, while the manufacturer could not have an abstract right of property in the picture of an eagle, yet when he appropriates that symbol and attaches it to a particular make of flour placed by him upon the market, he being the first to do so, he becomes possessed of the right to that designation, to that symbol, to that trade-mark, in respect to flour. None other has the right to so appropriate that symbol. A manufacturer of another kind of goods, as for example, a threshing machine, can with equal right adopt the eagle as his symbol as applied to threshing machines. The originality inheres, not in the device, but in the appropriation of the device to the particular article of manufacture.

While one may choose for a brand a known word or symbol there are limits to one's right of selection. The wrong of invasion upon the right to a trade-mark inheres in the sale of the goods of one manufacturer or producer as those of another, a false representation which inures to the injury of the rightful proprietor of the trade-mark; but, as a valid trade-mark must either of itself or by association point distinctly to the origin or ownership of the article to which it is attached, unless it does so the proprietor cannot legally be injured, nor can the public be in law deceived. One may not have the exclusive right of a trade-mark or trade name which would give to him a practical monopoly in the sale of the goods not produced by him. That would destroy competition. Therefore, a generic or geographical name or one merely descriptive of the article or of its quality cannot be exclusively appropriated; only those marks and symbols which designate of themselves or by association, origin or ownership, not those which others may employ with equal truth, and geographical names indicate the place of production, not the producer. This is the doctrine of the Supreme Court of the United States in the noted Lackawanna Coal case where it was held that one could not rightfully have a monopoly of the use of the term "Lackawanna Coal" as applied to the product of mines in the Lackawanna Valley, as all coal

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10 Canal Company v. Clark, 13 Wall. 311.
from the region was Lackawanna coal, and other producers of coal from that valley had equal right to the use of the name of the region. This decision, however, must be considered as limited to producers of coal from that valley, for all such could truthfully declare their coal to be Lackawanna coal.

Whether others could use the term with respect to coal produced from other sections, will be considered further under the caption "Unfair Trade."

So, also, one cannot appropriate a particular color and claim monopoly of its use as a trade-mark; nor can one adopt a mere form or shape of package and assert an exclusive right to its use as a trade-mark. These are common property, yet, as hereafter will be seen, the fact that one seeking to represent his goods as those of another has, among other things, designedly adopted the same shape of package or the same color of package, is given weight in consideration of the question whether he has unfairly and inequitably sought to palm off his goods as those of another. This matter is considered in what is hereafter said upon the subject of unfair trade, but, as a technical trade-mark, shape or color of package cannot be monopolized.

Nor may one use as a trade-mark words, numbers or symbols indicative of the quality of the article, or descriptive of the material from which the article is made. Thus one may not acquire a trade-mark in the word "Super-fine," "Superior," or in any name which specifies the quality of the goods; nor in the words "Linene," "Cotton," "Wool," "Iron," "Steel" or in words of like character, for these are words which are of common right and which anyone may truthfully use. Possibly, however, this statement should be confined to words of the English language commonly understood by English speaking people as referring to quality or descriptive of the article, at least where the market affected is among English speaking people.

In Gout v. Aleplogu, a man in London manufactured watches with the word "Pessendede" marked upon them, which is a Turkish word meaning Warranty. There could be no trade-mark on the English word "Warranty," and the right to the use of the Turkish word was upheld, because, as it would seem, it was a Turkish word, and did not imply on its face to English speaking people that it referred to Quality, and had become known and associated in the minds of the public with the particular name of the manufacturer as designating of the origin

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3 6 Beav., 69.
of the watch; although the report would seem to show that the name of the plaintiff was also simulated and the goods were marketed at Constantinople, and the restraint granted was to forbid the defendant from sending to Turkey or to any other place and from selling and disposing of, any watches with the name of the plaintiff thereon, or the word "Pessendede" in Turkish characters, and from manufacturing or vending such watches. The decision was bottomed upon the ground of fraud: but that would seem to sustain the right of the plaintiff to use the Turkish word in Turkish characters as a trade mark. If this be correct, one may use a foreign word implying quality in connection with the name of the manufacturer, and it will be protected as a trade-mark, at least with respect with English speaking people because it does not carry to the minds of the people the idea of quality.

While the law seeks to protect the manufacturer in his rights, it only extends that protection to the honest manufacturer. Equity will not favor the montebank or one who undertakes to deceive the public. The representation of the manufacturer or the owner of an article with a trade-mark attached must be a true representation, and equity will withhold protection from one who is seeking to humbug the public. One or two illustrations may make this clear. One placed upon the market an article which was called "Mexican Balm" and announced by circular and upon the package that it was manufactured from a receipt of a distinguished savant from Mexico. It was nothing but a nostrum, and the court of chancery of England properly declined to protect the manufacturer in imposing upon the public.

One Golsh made and sold friction matches which, in the early days, were known and approved by the public. The complainant acquired by purchase knowledge of the receipt by which these matches were made, but no exclusive right thereto, and then made and sold them as "Golsh's friction matches." Years afterward, when the original Golsh had died this manufacturer sought to enjoin another who was selling the "Golsh friction matches," but the court refused the injunction because he himself was deceiving the public by leading them to believe that these matches were made by Golsh, and, though made from a receipt which Golsh himself had given, it was still an imposition upon the public which a court of equity would not sanction. This case is strong to show that courts of equity are careful to see that in no way is protection afforded to him who undertakes to deceive the public, even for its own good. So, also, a firm in New York manu-

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15 Perry v. Truefitt, 6 Beav., 66.
16 Partridge v. Menck, 2 Sandf. ch. R., 622.
factured and produced for the public, a cosmetic called the "Balm of a Thousand Flowers" which, it was said, was largely used by ladies for the benefit of their complexions. The plaintiff sought to enjoin one who had placed upon the market an article called the "Balm of Ten Thousand Flowers," which was nothing but a liquid soap, and thereupon the plaintiff was turned out of court, which—so to speak—washed its hands of an inclination to assist him in defrauding the public.\footnote{Fetridge v. Wells, 13 How. Pr. R. 385.}

One who seeks the protection of a court of equity for a trade-mark must be dealing honestly with the public, and the court will not protect one who seeks to defraud the public, deceive or impose upon the people.

Another illustration may be given which, perhaps, is more practical. A court of equity will not protect one who is deceiving the public by fraudulent representation of quantity. It would be desirable that this principle of law were better known and better enforced. In the intense struggle between merchants to make profits, short measurements and short weights are often given; pieces of cotton bearing a particular trade-mark and certified to contain twenty-eight yards, contain frequently but twenty-four yards; a spool of cotton, represented to be three hundred yards, often, in fact, containing but two hundred fifty yards. In such cases where the manufacturer seeks to prevent a man from infringing his trade-mark and it is proven that he is defrauding the public by representing a greater quantity than actually exists, he cannot obtain relief. A court of equity says to him: "We will not help you to defraud the public in any particular. This is not a place for the pretender or the deceiver." So, although the defendant may be infringing the trade-mark, may be pirating that to which he has no title and no right, still the court will say to the complainant—"You must come here with clean hands; we will not assist you in any attempt to defraud."

In respect to what will constitute an infringement of a trade-mark, the principle seems to be this: there must be such similarity as will induce the public to believe that the goods offered are those of the manufacturer or the trader whose trade-mark is infringed. It must amount to a false representation. If it be such a resemblance as is designed and apt to mislead, or which actually has misled the public or is likely to do so, then there is infringement. The name need not be counterfeited. The symbol may be counterfeited and the name not. The public is most likely, after the goods have become known, to be deceived by the simulated symbol than by the name. The public is indifferent as
to the manufacturer. The object is to get the particular thing known, as in the case of flour by the symbol of an eagle.

Then, again, the misleading need only be such as will impose upon the unwary buyers. The question, however, is one of resemblances, not of differences. A test which applies only after the deviations have been pointed out, favors the counterfeit. It must be borne in mind 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 the memory, or by a certain picture or form which the eye readily recognizes. The purchaser is required to use only that care which persons ordinarily exercise under like circumstances. He is not bound to study or reflect, but may act upon the moment. He is without the opportunity of comparison. It is only when the difference is so gross that no sensible man, acting on the instant, would be deceived, that it can be said that the purchaser ought not to be protected from imposition. Indeed, some cases have gone to the length of declaring that the purchaser has a right to be careless and his want of caution in inspecting the goods with which he supposes himself to be familiar, ought to be allowed to uphold a simulation of a brand that is designated to work a fraud upon the public. That may possibly be carrying the doctrine to the extreme, but, however that may be, the imitation need be only slight if it attaches to what is most salient, for the usual inattention of the purchaser renders a good will precarious if exposed to imposition.

The proper test of infringement would seem to be whether the alleged infringing article is so dressed that it is likely to deceive persons of ordinary intelligence in the exercise of the slight care ordinarily bestowed in purchasing an article, to mistake one man's goods for the goods of others.

The textbooks and reports abound with examples of imitation which it would be profitless to enumerate here. The student will find a table of such cases assembled in the Calisaya case,18 Dunbar v. Glenn,19 and in the various textbooks.

The counterfeit may be such as to deceive the eye or the ear. Thus the word "Cocaine" was held infringed by a simulated trade-mark "Cocaine." In that case, both the letters and the sound were apt to mislead. So, also, true representations in aid of false ones but aggravate the fraud. This is well illustrated by a French case. A certain paper had for a trade-mark the word "Job." Another manufacturer

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18 58 N. Y. 222.
19 42 Wis. 118; Bardou v. Savatou, 14 Annales, 140.
put on the market a paper enclosed in wrappers of the same color but different ornamentation. This be thus described: "Guerre A Job Papier Tres Superieur, Paris 8o Rue de Rivoli 8o. TAKE NOTICE AND LET NO PERSON BE SURPRISED. I AM NOT THE SAME MARK of the same cover which bears the title JOB. But I guarantee that I enclose a paper superior to JOB by the addition of HYGIENE substances." He further issued an advertisement in which he recognized the distinction between this paper and that of the proprietor of the Job paper challenging them to deny the superiority of his. An injunction was granted against the use of the word "Job," because, as printed in capitals, it caught the eye and tended to deceive the purchaser into supposing he was buying the paper of the manufacturer who was legally entitled to the use of the word "JOB."

Whether a particular mark has been infringed is a question or fact, and in the case of a doubt courts will not ordinarily determine, as a matter of law, that a particular simulated trade-mark will or will not deceive the public. In Leidersdorf v. Flint,\(^{20}\) it was held that the court would not determine upon demurrer that the alleged infringing device could not deceive, but as the bill charged deception in fact, it must be determined upon evidence to be taken; but the federal courts, in the absence of evidence of actual misleading, will determine the question upon the face of the genuine and infringing devices.\(^ {21}\)

The right of one to the exclusive right to a trade-mark or trade name may be lost by abandonment, and another may then legally adopt it for the same kind of goods or the like business. Abandonment, of course, rests in intention, and circumstances determine the fact. Non-user for a long term of years would doubtless be held to warrant a finding that the owner had abandoned his right, but no fixed period can be safely stated, as each case must be resolved in the light of its own circumstances. If the abandonment be intentional, the surrender is complete upon the instant. If, however, the intent is to be inferred from circumstances, no inflexible rule as to time can be stated. Thus it has been held that one who, after using a particular trade-mark for a short time, ceases to use it for nearly a quarter of a century, has no right to resume its use after it has been long employed by another who has built up under it a large and successful business.\(^ {22}\) Under special circumstances, abandonment will be presumed from a non-user for nine years.\(^ {23}\)

\(^{20}\) 50 Wis. 401.


\(^{23}\) Lazenby v. White, 41 L. J. (N. S.) 354.
In like manner laches may debar the owner of a trade-mark or trade name from relief in a court of equity. A long-continued acquiescence in the use of a trade-mark by another, an unreasonable delay in applying for relief, may deprive the owner of the trade-mark of a right to a decree for gains or profits, although he might be entitled to an injunction to prevent further infringement. Equity favors the vigilant, not the slothful.

**Trade Names**

The distinction between a trade-mark and a trade-name is this: In the one case there is a vendable commodity; in the other there is not. In the one case the mark is attached to the vendable commodity; in the other it is unattached to anything. A trade name is perhaps accurately to be defined as part of the good will of a business, and that is protected in equity upon the same fundamental principle that protects the use of a trade-mark. A few examples will perhaps clearly illustrate the text.

The principle has been invoked most generally in the case of hotels, omnibuses, places of amusement, mineral springs, and newspapers but it is applicable to the good will of every business where one has acquired the right to the use of a name. Thus one Howard was the proprietor of a noted hotel in the city of New York called the “Irving House,” which became known indifferently as the “Irving House” and “Irving Hotel” and was, in its time, one of the most noted hotels in that city. Another man opened a hotel in the same place which he called the “Irving Hotel” and the court enjoined him from the use of the name “Irving” as applied to a hotel in that city. This was a pioneer case and has been generally followed.

So, also, in regard to omnibuses. Anybody had been at liberty to run a line of omnibuses and inscribe them “London Conveyance Company.” There was, in fact, no such corporation. But when a rival adopted the inscription he was enjoined because it tended to make passengers believe they were in the coaches of one proprietor when they were in fact those of another.

The proprietor of a hotel may authorize by contract the use of the hotel name on the coaches of a party, on the badges of his drivers, etc., and although any coachman has the right to compete in carrying passengers he must abstain from inscriptions used by such party.

\(^{24}\) *McLean v. Flemming*, 96 U. S., 245.
\(^{26}\) *Mott v. Morgan*, 2 Keen 213.
\(^{27}\) *Marsh v. Billings*, 7 Cush. 322.
So the purchase of a bakery together with its good will, has been protected against the former proprietor in the use of the name, though it was the latter's personal name and he had a bakery. The name in this case was a token of the good will which has been bought, and the sole significance of the seller so resuming it was that thereby, as a borrower, he was disguising himself, though even by using his own name.

So with respect to places of amusement. Christy's Minstrels was the first company of negro minstrels in this country. A rival company calling itself Christy's Minstrels was enjoined from the use of that name, the court holding that the public may not even be amused under false pretenses.

In the case of the Bethesda Spring, the court said that it made no difference, even if it were a fact, that the Glenn Bethesda Water exactly corresponded in all its constituents to the Bethesda Water. If the public wanted a particular water, whether it was better or worse, they had a right to their choice, and the owner of that spring had a right to be protected in the particular mark or name which he had adopted.

This principle had been universally applied with respect to mineral springs. In the case of Congress & Empire Spring Co. v. High Rock Congress Spring Co., 45 N. Y. 291, the defendant was enjoined against the use of the word "Congress," which had been applied since 1792 to the water of a particular spring. The court did not distinguish the water as to its properties, and the pretense that a natural product was not within the principle of an artificial one as to trade-mark was impressively disallowed saying: "It is not to trust to our common apprehension of things to believe that one who wishes for the medicinal water which he used before, or which he has heard of as coming from the Congress Spring, does not mean the specific water when he inquires for it by its specific name. It is this name—which is the short phrase between the buyer and the seller—that indicates the wish to buy and the power to sell water from that origin, that place, of the ownership."

Of like tenor are the following cases:

Carlsbad Salts, Carlsbad Co., v. Thackeray, 57 Fed. 18.
Clysmic Spring, Hill v. Lockwood, 32 Fed. 389.

Upon the same principle the titles of newspapers and titles of songs, have been protected, and all upon the ground that the good will which has been established will not be permitted to be injured by one who is

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30 Dunbar v. Glenn, 24 Wis., 118.
seeking to clothe himself in another’s dress and to palm off upon the public his goods, or his entertainment, or his business, as that of another.

**Unfair Trade**

It has been noted that one may not appropriate to one’s exclusive use as a trade-mark a geographical name, a generic name, a proper name, a particular color or a special form of package. Yet, in the growth of the law, the principle has become established that equity will protect the public from imposition in respect to the use of such things as may not be exclusively appropriated as trade-marks.

The principle underlying the doctrine held by courts of equity is well settled in *Croft v. Day*, 7 Beav. 84. “No one has a right to dress himself in colors, or adopt or bear symbols to which he has no particular or exclusive right and thereby personate another person for the purpose of inducing the public to suppose either that he is that person, or that he is connected with and selling the manufactured product of such person while, in reality, he is selling his own.”

Disguise is the principle. Disguise defeats the very end and object of legitimate competition, which is the free voice of the public. One may not legally use means, whether marks or other indicia, or even his own name, with the purpose of attracting to himself the trade that would have flown to the person previously accustomed to use them. If such be the case, their use will be restrained. The relief is afforded upon the ground of fraud, which, in turn, rests upon the hypothesis that the party proceeded against had deliberately sought to deceive the public and to defraud another by palming off his own goods as the goods of that other. This may be sought to be accomplished by the use of a proper name, or by a geographical name, or by a particular color or a particular form. If it can be established that such use is resorted to for the purpose of defrauding the public and of injuring another, equity will interpose its arm to prevent the fraud and to compel the exercise of honesty in trade.

This doctrine is distinguished from the law of trade-marks in this, that it does not necessarily involve the question of the exclusive right of another to the use of the name, symbol or device. A word may be purely generic or descriptive, and so not capable of becoming an arbitrary trade-mark and yet there may be an unfair use of such word or symbol which will constitute unfair competition. Thus a proper or geographical name is not the subject of a trade-mark, but may be so used by another unfairly, producing confusion of goods, and so come under the condemnation of the law of unfair trade and its use will be enjoined. This right to the use of an arbitrary name or device as indi-
cia of origin is protected on the ground of a legal right to its use by the person appropriating it. The doctrine of unfair competition is lodged upon the theory of the protection of the public whose rights are infringed or jeopardized by the confusion of goods produced by unfair methods of trade as well as upon the right of a complainant to enjoy the good will of a trade built up by his efforts and sought to be taken from him by unfair methods. Whether such confusion of goods has been or is likely to be produced by the acts charged, is a question of fact to be resolved either by evidence of actual sales of the one product for the other, of actual mistake of one for the other, of fraudulent palming off of one for the other, or, on the other hand, failing such evidence, by comparison of the two brands to determine whether the one can be readily mistaken for the other, even by the inattentive and unobserving purchaser at retail.

The principle is, at this day, thoroughly established, and a few illustrations of the application of the doctrine will clearly bring out the principle upon which the courts of equity proceed.

First, as to proper names. The Pillsbury-Washburn Flour Mills Co. had for many years, been engaged in the manufacture and sale of flour which had acquired a high reputation and an extensive sale. The company adopted a mark or brand applied to the packages containing flour, consisting of the name “Pillsbury,” the name of the manufacturer, “Minneapolis, Minn.,” the letters “XXXX,” and the word “BEST” in large letters of a peculiar design, all arranged in a circular form surrounded by two lines of dots, with the name “Pillsbury’s” in a vertical line at each side, the whole being printed in blue, except the word “BEST” which was printed in red. Subsequently, the defendant, a man by the name of Pillsbury, commenced at a small town in Illinois, the business of buying flour and putting it up and selling it in packages on which he placed a mark or brand of similar form to that of the Pillsbury Company, on which the name of “L. F. Pillsbury” was substituted for the name of Pillsbury alone, in the same part of the circular device, and on like vertical lines. The word “Minnesota” was substituted for “Minneapolis, Minn.” The letters “XXXX” were placed above instead of below the word “BEST,” which latter word was printed in letters of the same size but slightly different design from those of the complainant’s brand. The word “PATENT” was added, and the line of dots surrounding the circular device were increased to three; the whole, except the word “BEST” being printed in blue, and the word “BEST” in red. The defendant had never been engaged in the manufacture of flour. It was held by the court that this was a fraud

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upon the public, a manifest simulation of the complainant's brand, likely to deceive the public, and its use was restrained.

In Cement Co. v. LaPage, 147 Mass. 206, and Meyer v. Medicine Co., 58 Fed. 884, the doctrine is announced substantially as follows: "While the right of no one can be denied to employ his name 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 a way as to cause it to be mistaken for the manufacture of goods of another already on the market under the same or similar name. Whether it be his name or some other possession, everyone, by the familiar maxim, must so use his own as not to injure the possession or right of another."

In another case, Peck Brothers & Co. v. Peck Brothers Co., Peck Brothers & Company, a Connecticut corporation, carried on its manufacture of brass plumber's goods for over thirty years. Its goods became widely known and attained a high reputation. This corporation became embarrassed, went under receivership, the receivers continuing the business until the company was sold to a committee representing all the stockholders, who reorganized under the name of Peck Brothers & Co. Prior to the receivership the company maintained a branch house in Chicago which was in charge of three of its stockholders, one of whom was named Peck, and who was vice-president of the company, and was one of the complainants in the receivership suit. Another of the number was appointed auxiliary receiver of the Chicago property. Pending the receivership, these three persons with others, procured a charter from the state of Illinois for the corporation under the name of Peck Bros. Co., to engage in like business. The eastern receiver, before the organization of the new company was completed, protested against the use of the name, and directed the western receiver not to recognize it. The new company purchased the Chicago stock of the old company at its sale under order of the court, but did not purchase its good will. There was but one person named Peck interested in the new company. Both companies continued in business in the same territory and considerable confusion of goods resulted, even with experienced purchasers, owing to the similarity of the names with which such goods were stamped. It was held that the name of the new company, which was unwarranted in fact, because there were no "Peck Brothers" interested therein, was clearly adopted for the fraudulent purpose of obtaining the advantage of the reputation and established trade of the old company, and in violation of the duty which its organizers owed to the old company as stockholders, and that the carrying on

**113. Fed. 291.**
of business thereunder in the manner shown constituted unfair competition, against which the organizers of the old company were entitled to injunction.

The extent to which courts of equity will go in thus preventing fraud and unfair competition, is well exhibited in a noted case in the House of Lords, in England. The plaintiff had for some years made belting and sold it as "Camel Hair Belting," a name which had come to mean in the trade, the plaintiff's belting and nothing else. The defendant began to sell belting made of yarn of camel's hair, and stamped it "Camel's Hair Belting," so as to be likely to mislead purchasers into the belief that it was the plaintiff's belting, endeavoring thus to pass off goods as those of the plaintiff. It was claimed that the plaintiff endeavored to fix a secondary meaning on a plain English expression composed of ordinary words which denoted the quality of the goods and was descriptive of the nature and material of the goods, and sought to prevent the world from using that expression without some distinguishing word, but the court held, in elaborate opinions, that the defendant sought to lead purchasers to believe that they were getting the plaintiff's manufacture when they were not, and thus to cheat the plaintiff of some of their legitimate trade.

Illustrative examples of the application of this principle will be found in the following cases:

- Chickering v. Chickering, 120 Fed. 69.

The latter will be found an instructive case, indicating the extent to which courts will go in the prevention of fraud.

So, also, as to color of label, shape of bottle or packages, containing the article. While one can have no exclusive right in the use of a color or the shape of a bottle or the formation of a letter, yet equity will not permit one to simulate these marks which have been appropriated to another, if manifestly so done as to palm off his goods as those of that other.

The principle, as it affects the use of geographical names, has been carried much further in the interest of the prevention of fraud. Thus in Pillsbury v. Eagle, 86 Fed. 608, millers residing in Minneapolis for thirty years had made flour by the roller patent process, using as brands

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the name "Minneapolis," "Minneapolis, Minn.," "Minneapolis, Minnesota," "Minnesota Patent," indicating that the flour was made either at Minneapolis, or in the state of Minnesota. A dealer in Chicago obtained from mills in Milwaukee, Wisconsin, an inferior grade of flour which he labeled "Best Minnesota Patent, Minneapolis, Minn.," which he advertised was made at Minneapolis with the result that the public was deceived into buying this flour under the belief that it was made at Minneapolis, and was defrauded and the business of the Minneapolis company damaged. It was held that all or any of the persons or corporations operating in Minneapolis having a common interest in preventing the fraud, might unite and maintain an action in equity and that, while a geographical name is not the subject of trade-mark and anyone may use it, yet where it has been adopted first as merely indicating the place of manufacture and afterwards has become a well known sign and synonym, for superior excellence, persons residing at other places will not be permitted to use it as a brand or label for similar goods for the purpose of appropriating the good will and business of another.

It may be said, in conclusion, that the doctrine discussed seems to have in this age no limitation to its application. It applies pretty much to all we wear, eat, drink or purchase. The use of trade-marks and trade names has become universal, and an enormous amount of business is affected by the particular law considered. The student need not be confined to or confused by authorities of which there is a multitude, but if he will refer every case to the underlying principle of the law, it will be rendered comparatively easy of solution. No man may dress himself in another man's clothes, and if the dress he has assumed is likely to mislead the unwary—not the diligent, not the critical, careful observer of the true and the false, but the unwary, exercising only the ordinary care of a purchaser at retail, then a court of equity will interpose its arm and restrain the use. The law affects all business, all trades, and is bottomed on the simple ground of honesty.