

Judgment of the Lords of the Judicial Committee of the Privy Council on the Appeal of The Standard Ideal Company v. The Standard Sanitary Manufacturing Company, from the Court of King's Bench (Appeal Side) for the Province of Quebec; delivered the 1st November 1910.

PRESENT AT THE HEARING :

LORD MACNAGHTEN.

LORD ATKINSON.

LORD SHAW.

LORD MERSEY.

[DELIVERED BY LORD MACNAGHTEN.]

This is an Appeal from a Judgment of the Court of King's Bench (Appeal Side), for the Province of Quebec confirming with a slight variation a Judgment of the Superior Court of that Province. The Judgment so varied restrains the Standard Ideal Company, the Defendant in the action, "from using the word 'Standard' in connection with enamelled bath tubs, wash-stands, lavatories, sinks, laundry trays, and other articles of toilet use, and their attachments, either by stamping upon said goods or by circulars, or advertising or otherwise in designating or describing the said particular kind of wares, and from representing to the public that goods, wares, or merchandise manufactured or sold by the said Defendant are the goods, wares, or merchandise of the Plaintiff."

The Plaintiff is an American Corporation. Its head quarters are in Pittsburg. The Defendant is a Canadian Company. Its works are situated at Port Hope, Ontario.

The Declaration in the action alleged that the Standard Sanitary Manufacturing Company was incorporated under the laws of the State of New Jersey on the 26th of December 1899; that it acquired the good-will, trade-marks, and assets of a Company incorporated under the laws of the State of Pennsylvania as the Standard Manufacturing Company; that the Standard Manufacturing Company carried on business throughout the Province of Quebec and elsewhere from and after the year 1890; that the goods of the Standard Manufacturing Company were known by that Company's name and trade-mark "Standard"; that the Standard Sanitary Manufacturing Company continued the sale of goods manufactured by the Standard Manufacturing Company throughout the Province of Quebec and elsewhere, and used in connection with the said goods the said name and trade-mark. The Declaration further alleged that on the 21st of July 1906 the Standard Sanitary Manufacturing Company registered in Canada as a specific trade-mark the said trade-mark, consisting of the word "Standard." The Declaration then charged that the Defendant, the Standard Ideal Company, had infringed the Plaintiff's trade-mark, and was passing off its goods as and for the goods of the Plaintiff Company. The claim was for an injunction and damages.

The Defendant denied the charge of infringement and the charge of passing off, and further alleged that the word "Standard" was in common use by manufacturers and dealers in various classes of merchandise, and that the said name could not in law form the subject of a valid or exclusive trade-mark. The Defendant also

alleged that the Plaintiff Company was carrying on business in Quebec in contravention of an Act of the Quebec Legislature, and was therefore not entitled to protection from the Courts of that Province.

The Quebec Act on which the Defendant relied is the Act 4 Ed. VII., cap. 34. It enacts that no extra Provincial Corporation shall carry on business in the Province of Quebec unless a license under the Act has been granted to it, and unless such license is in force, and that no company, firm, broker, agent, or other person shall as the representative or agent of, or acting in any capacity other than as traveller taking orders for any such extra Provincial Corporation, carry on any of its business in the Province of Quebec unless such Corporation has received such license, and unless such license is in force. The license is granted upon certain conditions, one of which is that the applicant for a license must deposit in the office of the Provincial Secretary a power of attorney constituting a chief agent in the Province for the purpose of receiving service in any suit or proceeding.

The Plaintiff Company then amended its declaration by alleging that its sales in Montreal and throughout the Province of Quebec were made through an agent acting as a traveller taking orders.

At the trial Mr. John M. Collins deposed that he represented the Plaintiff Company as sales agent for Canada, travelling and calling on wholesale houses taking orders and sending them to Pittsburg. "The goods" he said "are shipped direct to the customer, and the customer pays direct to the Company for the goods, and we are simply the sales agents selling the goods as travellers for the Company." He added in cross-examination that it was unnecessary to have a show-room in Montreal, and that they did not

now carry a stock there for the Standard Sanitary Manufacturing Company. This evidence was not contradicted. Their Lordships therefore think that it must be taken to be established that the Plaintiff Company is not acting in contravention of the Statute, and is not in fact now carrying on business in Quebec though it employs a traveller to solicit orders in that Province.

On the question as to the validity of the alleged trade-mark their Lordships are compelled to differ from the Court of King's Bench. The Canadian Trade Mark and Design Act, 1879, 42 Vict. c. 22, requires trade-marks to be registered. It does not, however, contain a definition of trade-marks capable of registration. It provides that :—

“ All marks, names, labels, brands, packages, or
 “ other business devices, which are adopted for use by
 “ any person in his trade, business, occupation, or calling for
 “ the purpose of distinguishing any manufacture, product
 “ or article of any description manufactured, produced, com-
 “ pounded, packed, or offered for sale by him applied in any
 “ manner whatever, either to such manufacture, product,
 “ or article, or to any package, parcel, case, box or other
 “ vessel, or receptacle of any description whatsoever con-
 “ taining the same, shall for the purposes of this Act be
 “ considered and known as trade-marks.”

The Act however declares that the Minister may refuse to register any trade-mark :—

“ if the so-called trade-mark does not contain the
 “ essentials necessary to constitute a trade-mark properly
 “ speaking.”

The Act does not define or explain the essentials of a trade-mark, nor does it provide for taking off the register an alleged trade-mark which does not contain the requisite essentials. In applying the Act the Courts in Canada appear to consider themselves bound or guided mainly by the English law of trade-marks and the decisions of the Courts of the United Kingdom.

Now the word “ standard ” is a common English word. It seems to be used not unfrequently by manufacturers and merchants in

connection with the goods they put upon the market. So used it has no very precise or definite meaning. But obviously it is intended to convey the notion that the goods in connection with which it is used are of high class or superior quality or acknowledged merit. Without attempting to define "the essentials necessary to constitute a trade-mark properly speaking" it seems to their Lordships perfectly clear that a common English word having reference to the character and quality of the goods in connection with which it is used and having no reference to anything else cannot be an apt or appropriate instrument for distinguishing the goods of one trader from those of another. Distinctiveness is the very essence of a trade-mark. The Plaintiff Company was therefore not entitled to register the word "Standard" as a trade-mark. The result is, in accordance with the decision of the Supreme Court in *Partlo v. Todd*, 17 S.C.C. 196, that the word though registered is not a valid trade-mark. The action so far as it is based on alleged infringement of trade-mark must fail.

There remains the charge of passing off. On that question also their Lordships are compelled to differ from the Court of King's Bench.

The evidence falls far short of establishing the proposition that the word "Standard" has acquired a secondary signification and so means, as applied to articles of toilet use, goods manufactured by the Plaintiff Company. Moreover, there is no proof that any person has ever been deceived by the alleged similarity between the trade designation used by the Defendant and that used by the Plaintiff, nor is there any probability of deception. The Plaintiff is an American Company, not carrying on business in the ordinary sense of the term, in the Province of Quebec; the Defendant is a Canadian Company trading there. Each proclaims in its labels and

advertisements its headquarters or place of manufacture. The Defendant Company makes the same class of goods as the Plaintiff Company. It has apparently imitated or copied some of the Plaintiff's designs and patterns. It has, undoubtedly copied many of the Plaintiff's advertisements and photographs, as well as the combination of colours adopted by the Plaintiff Company in its green and gold labels. But this is not an action for infringement of copyright in designs or letterpress. It is an action for infringement of trademark and for passing off. The question of trademark has been disposed of. As for the charge of passing off, although the Defendant Company has availed itself unscrupulously, if not unfairly, of the labour, ingenuity, and expenditure of the Plaintiff Company in preparing the ground and educating the public on sanitary questions and bringing into notice the most fashionable and up-to-date articles of toilet use, it is impossible to come to the conclusion that the trade designation adopted by the Defendant Company is calculated to deceive or to lead customers to believe that in buying its goods they are buying the goods of the Plaintiff Company. The Defendant Company is protected by a high tariff and can afford to undersell the Plaintiff Company. There seems to be no reason why it should seek to pass off its goods as the goods of the Plaintiff Company. Nor is there really any evidence tending to prove that it has ever done so.

Their Lordships will, therefore, humbly advise His Majesty that the Appeal should be allowed and the Action dismissed with costs here and below.

In the Privy Council.

THE STANDARD IDEAL COMPANY

v.

THE STANDARD
SANITARY MANUFACTURING
COMPANY.

LONDON:

PRINTED BY EYRE AND SPOTTISWOODE, LTD.,
PRINTERS TO THE KING'S MOST EXCELLENT MAJESTY.

1910.