

THE BOSTON RUBBER SHOE }  
COMPANY ..... } PLAINTIFF ;

1901  
Sept. 21,

AND

THE BOSTON RUBBER COMPANY }  
OF MONTREAL (LIMITED) ..... } DEFENDANT.

*Trade-mark—Infringement—Corporate name—Use of when conflicting with  
trade-mark—Fraud—Intent to deceive.*

In the absence of fraud or bad faith, a body corporate may use its own name on goods of its own manufacture, although such use may tend to confuse its goods with goods of the same kind bearing the trade-mark of another manufacturer.

2. Where the defendants, a body corporate, had obtained their name before a trade-mark with which such name was said to conflict had been registered in Canada by the plaintiffs, a foreign corporation, and it was not shown that the defendants had adopted such name with intent to deceive the public, nor to sell their goods as those of the plaintiffs, the court refused to restrain the defendants from using their corporate name upon goods manufactured by them.

THIS was an action to restrain the alleged infringement of a trade-mark (1).

The facts of the case are stated in the reasons for judgment.

May 14th, 1901.

The case was heard at Montreal.

*R. V. Sinclair* for the plaintiffs ;

The Canadian trade-mark of the plaintiffs was registered before the incorporation of the defendants. Of course the chief value of a trade-mark in this country is a juridical one. You must obtain registration before you can bring an action. If any one passed off

(1) This case was formerly before the plaintiffs' statement of claim. fore the court upon demurrer to See *ante* p. 9.

1901  
 THE  
 BOSTON  
 RUBBER  
 SHOE Co.  
 v.  
 THE  
 BOSTON  
 RUBBER  
 Co. OF  
 MONTREAL.  
 ———  
 Argument  
 of Counsel.  
 ———

his goods as those of your own manufacture you always had a common law action for the fraud; but you cannot restrain an infringement unless you have registered your mark in Canada. Once having done that, you can restrain the use of your mark whether it is used fraudulently or not. It is not necessary to charge fraud in an action for infringement; neither is it necessary to show an intention to deceive. *Pinto v. Badman* (1); *Sebastian on Trade-marks* (2); *Boston Rubber Shoe Co. v. Boston Rubber Company* (3); *Orr-Ewing v. Johnson* (4).

It is the duty of the defendants to exonerate themselves when we establish our right to the trade-mark. It is for them to show that the unwary and incautious purchaser could not have been deceived into buying the defendants' goods for those of the plaintiffs.

They have no right to adopt as their corporate name, a name that has already been made the subject of a trade-mark. The courts do not treat corporations with the same leniency as individuals in cases where the alleged infringement consists in the use of a name. Cites *Celluloid Manufacturing Co. v. Cellonite Manufacturing Co.* (5); *Indian Rubber Co. v. Rubber Comb and Jewellery Co.* (6); *Smith v. Fair* (7); 26 *American and English Encyclopædia of Law* (8); *Radde v. Norman* (9).

The evidence discloses that defendants adopted our trade-mark because our goods had an established place on the market.

*A. McGown* for the defendants;

Plaintiffs must show that defendants used and employed the trade-mark with intention to deceive the

(1) 8 R. P. C. 181.

(2) 2nd ed. p. 124.

(3) 149 Mass. 436.

(4) 13 Ch. D. 434.

(5) 32 Fed. Rep. 94.

(6) 45 N. Y. (S. C.) 258.

(7) 14 Ont. R. 729.

(8) Pp. 321, 444.

(9) L. R. 14 Eq. 348.

public. That is clearly the intention of the statute. That has not been established by the evidence. The decisions cited by counsel for plaintiffs were based upon a different law entirely from ours.

The defendants cannot be said to be infringing the plaintiffs' trade-mark by simply using their corporate name on their goods. Cites *Brown on Trade-marks* (1); *Sebastian on Trade-marks* (2); *Dalloz : Juris. Gén* (3); *Dalloz : Juris. Gén.* (4).

*R. V. Sinclair* in reply cited *Kerly on Trade-marks* (5); *Browne on Trade-marks* (6); *American and Eng. Ency. of Law* (7); *Re Paine's Trade-mark* (8); *Millington v. Fox* (9); "*Singer*" *Machine Manufacturers v. Wilson* (10).

THE JUDGE OF THE EXCHEQUER COURT now (September 21st, 1901), delivered judgment.

The action is brought to restrain the defendant company from impressing or using upon rubber boots and shoes manufactured by it words that constitute in substance its corporate name, and for damages for an alleged infringement, by such use of its name, of the plaintiff company's registered trade-mark.

The plaintiff company was in 1853 incorporated under the laws of the Commonwealth of Massachusetts, by the name of "The Malden Manufacturing Company," for the purpose of manufacturing cotton, silk, linen, flax, or india rubber goods at the town of Malden. In 1855 its name was by an Act of the Commonwealth changed to "The Boston Rubber Shoe Company." Since that time it has continued to do business by that name, and its business has prospered. In rubber boots and shoes it manufactures two grades

1901  
 THE  
 BOSTON  
 RUBBER  
 SHOE CO.  
 v.  
 THE  
 BOSTON  
 RUBBER  
 CO. OF  
 MONTREAL.  
 ———  
 Reasons  
 for  
 Judgment.  
 ———

(1) 2nd ed. p. 197.

(2) 2nd ed. p. 24.

(3) [1878] II 23.

(4) (1880) I. 90.

(5) 2nd ed. pp. 4, 14, 316, 349.

(6) 2nd ed. p. 197.

(7) Vol. 26 p. 429.

(8) 66 L. J. Ch. 365 ; 66 L. T. 642.

(9) 3 My. &amp; Cr. 338.

(10) 3 App. Cas. at p. 391.

1901  
 THE  
 BOSTON  
 RUBBER  
 SHOE CO.  
 v.  
 THE  
 BOSTON  
 RUBBER  
 CO. OF  
 MONTREAL  
 ———  
 Reasons  
 for  
 Judgment.  
 ———

or lines of goods; the one that which is spoken of as "The Boston Rubber Shoe Line," and the other as "The Bay State Line." The former are known to the trade, and have been since as early as 1865 at least, as "Bostons." The other grade is known as "Bay State." The company's annual output of rubbers is about twelve million pairs. Mr. Sawyer puts it at from ten to fifteen millions. Of this quantity about half are "Bostons" and half "Bay State." These goods are sold in the United States, in Europe, and in Canada. But the sale in Canada is not, I infer from the evidence, large. Mr. Smith, of French & Smith, of Montreal, shoe merchants, for some seven years prior to last year, sold from fifteen hundred to two thousand dollars worth of these goods per annum, but not so many during the last year. Mr. O'Brien, another Montreal boot and shoe merchant, says that at present he sells a very small quantity of the plaintiff's goods, and he explains the reason to be that the duty is too great; that it keeps out American rubber goods for the last few years excepting job lots sold at a reduction in price. The regular goods they do not buy because they are too high. Mr. George H. Mayo, of William F. Mayo & Company, Boston, who are wholesale dealers in rubber shoes, and who sell, all over the United States and in Canada, rubber shoes made by the plaintiff company, gives from his books the sales in Canada in the year 1900 of such goods at something less than five hundred dollars worth.

In April, 1897, the plaintiff obtained registration in the United States Patent Office of the words "Boston Rubber Shoe Company," as a trade-mark for rubber boots and shoes. And in October in the same year it obtained registration in Canada of the same words as a specific trade-mark to be applied to the sale of rubber boots and shoes. In October, 1896, The Toronto

Rubber Shoe Manufacturing Company, Limited, had upon the allegation that it had been the first to use the same, registered as a specific trade-mark to be applied to the sale of rubber boots and shoes the word "Boston," and on September 27th, 1897, the latter company assigned all its right, title and interest in such specific trade-mark to the plaintiffs, but without, so far as appears, any assignment of any interest in the business in which The Toronto Company had used or intended to use such trade-mark.

In 1878, George H. Hood and others obtained, in accordance with the laws of the Commonwealth of Massachusetts, then in force, a certificate of incorporation as The Boston Rubber Company, with power, among other things, to manufacture and sell articles consisting wholly or in part of india rubber. For some ten years this company confined its manufacture and business to articles other than rubber boots or shoes. It then commenced to manufacture such articles, and in 1889 it registered in the United States Patent Office a trade-mark for india rubber boots and shoes consisting of a bell upon which appear the words "Boston Rubber Co., Boston, Mass." The Boston Rubber Shoe Company becoming aware of the intention of the Boston Rubber Company to engage in the manufacture of boots and shoes, applied, in the first instance, to the Attorney-General of the Commonwealth, praying him to file an information in the nature of a writ of *quo warranto* against The Boston Rubber Company to the end that the latter company might show by what warrant it used its name. The application being refused, a petition was presented to the Supreme Judicial Court of the Commonwealth for leave to The Boston Rubber Shoe Company to file such an information. The petition was dismissed.

1901  
 THE  
 BOSTON  
 RUBBER  
 SHOE CO.  
 v.  
 THE  
 BOSTON  
 RUBBER  
 CO. OF  
 MONTREAL.  
 Reasons  
 for  
 Judgment.

1901  
 ~~~~~  
 THE  
 BOSTON  
 RUBBER  
 SHOE Co.  
 v.  
 THE  
 BOSTON  
 RUBBER  
 Co. OF  
 MONTREAL.  
 ———  
 Reasons  
 for  
 Judgment.  
 ———

In 1896, The Boston Rubber Company appears to have gone out of the business of manufacturing rubber boots and shoes, and the promoter of the defendant company purchased for nine thousand dollars the portion of its tools, machinery and plant mentioned in the agreement, a copy of which is in evidence. The purchase included, among other things, all calenders, blocks, dies, patterns, moulds, and all furniture and tools specially adapted for the manufacture of rubber boots and shoes. This sale was effected on the 30th of May, 1896. On the 26th of August of that year an application was made by Charles L. Higgins, the purchaser of this plant, and others, for incorporation under *The Companies Act* (1) by the name of "The Boston Rubber Company of Montreal, Limited," for the purpose of carrying on the business of manufacturers of all kinds of rubber and gutta percha goods, and of all goods in the manufacture of which rubber or gutta percha is used, and for the purpose of dealing in such goods. After publication of the notice of application, letters patent were, on the 27th day of November, 1896, issued under the Great Seal of Canada incorporating the company for the purposes mentioned. In explanation of the choice of name, Mr Higgins says that "the town of St. Jérôme had voted " a bonus of fifty thousand dollars to the new company " starting, and designated that company as The Boston " Rubber Company. Consequently we would have had " to have another vote taken in the town and at con- " siderable cost, and we thought it best to go on with " the same name under the circumstances." The Boston Rubber Company, like most rubber shoe companies, had made two grades of rubber boots and shoes, the better grade had impressed upon it the name of the company on the device of a bell (the company's

(1) R. S. C. c. 119.

trade-mark to which reference has been made), and the other grade bore the name of the Neptune Rubber Company. The defendant company never used any device of the bell for the reason, as stated by Mr. Higgins, that he thought it was a trade-mark belonging to The Boston Rubber Company, and because it was in use by the firm of J. & T. Bell, of Montreal. In using the moulds purchased from The Boston Rubber Company the words "Boston" and "Mass." were dropped and the word "Montreal" substituted. The defendant company also manufacture two grades of rubber boots and shoes. On the better grade are impressed the words "The Boston Rubber Company, Montreal, Limited," and these goods in the company's catalogues, price lists and advertisements are referred to as "Boston." In the Illustrated Catalogue, Exhibit No. 15, will be found the following: - "Our Neptune brand is everything we claim for it—a high grade second, not so good as the Boston, but a good clean well made stylish rubber that will give excellent satisfaction for the money," and in the same catalogue, as well as in the price list, Exhibit No. 16, the words "Boston Rubber Company" without any addition of the word "Montreal" frequently occur.

Now, although the sales of the plaintiffs' goods in Canada do not appear to be, or so far as the evidence goes, to have been, considerable, the term "Boston" or "Bostons" has, it seems to me, come in some way to have a commercial value as attached to rubber boots and shoes; and this value has, I think, been given to it by the plaintiffs' enterprise and business. I come to that conclusion notwithstanding the fact that the plaintiffs have seen fit to take from another company an assignment of a specific trade-mark, to be applied to the sale of rubber boots and shoes, consisting of the word "Boston," and obtained by such company on the alle-

1901  
 THE  
 BOSTON  
 RUBBER  
 SHOE CO.  
 v.  
 THE  
 BOSTON  
 RUBBER  
 CO. OF  
 MONTREAL.  
 Reasons  
 for  
 Judgment.

1901  
 ~~~~~  
 THE  
 BOSTON  
 RUBBER  
 SHOE Co.  
 v.  
 THE  
 BOSTON  
 RUBBER  
 Co. of  
 MONTREAL.  
 ———  
 Reasons  
 for  
 Judgment.  
 ———

gation that it was the first to use it. I express no opinion one way or the other as to the validity of that trade-mark either as used by the company that registered it, or in the hands of the plaintiff under the circumstances existing in this case. But I am not prepared to accept the allegation mentioned as true. On the contrary, unless one splits hairs over the words "Boston" and "Bostons" as applied to rubber boots and shoes, it seems to me reasonably certain that the plaintiff company was the first to make use of the term in that connection; and that any value it has acquired in that connection, any secondary meaning that it has come to have as denoting excellence in rubber boots and shoes has been derived from its use in the plaintiffs' business. And it seems to me that the defendant company as honest manufacturers and traders ought to discontinue its use, except so far as it forms part of the corporate name of the company. But this action is not brought to restrain the use of the word "Boston" or "Bostons" in the company's catalogues, price lists and advertisements, but to restrain it from using upon goods of its own manufacture what in substance is its corporate name; the only difference being the omission of the preposition "of" before Montreal. But that does not appear to me of itself to be of great importance; and I should not have thought anything of it but for the intentional dropping of the word "Montreal" also in other connections, to which reference has been made. As it is one cannot wholly lose sight of the incident in coming to a conclusion as to whether the defendant is honestly impressing its corporate name on its goods; or whether it is endeavouring to put thereon something that will give it the advantage of the reputation acquired by the plaintiffs' goods. It would, I think, be much better and safer for the defendant to put on its goods its corporate



name in the terms in which that occurs in the letters patent. But for Mr. Higgins' explanation I should, I think, have come to the conclusion that the name of the defendant company had been chosen, and the form in which it is impressed upon the goods manufactured by the company had been adopted, with a view to use and to get the advantage of using the word "Boston" or "Bostons" to which, as connected with the rubber boot and shoe business, the plaintiff company's years of successful business had, especially in the United States, given a trade value and importance. However, in view of that explanation, which under all the circumstances I accept as a true explanation, I must, I think, acquit him and the company of any intentional or fraudulent adoption or adaptation of any part of the plaintiff company's corporate name, which subsequently to the incorporation of the defendant company it has registered as its trade-mark. The action is for the infringement of a registered trade-mark. The infringement alleged is the use, substantially, by the defendant of its own name upon its own goods. The name had been chosen and given after notice, before the plaintiff's trade-mark was registered. It had been chosen and the application for incorporation made before The Toronto Rubber Shoe Manufacturing Company applied for the registration of the trade-mark "Boston," although the letters patent did not issue until about a month after the latter mark was registered. There is no evidence of any attempt by the defendant company to sell its goods as those of the plaintiff. There is nothing to lead me to think that the defendant company has, in the use of its corporate name or otherwise, acted in bad faith or fraudulently. At most it has, I think, made the mistake—made it perhaps honestly enough—of thinking that as it had bought out the Boston Rubber Company it had as

1901  
 THE  
 BOSTON  
 RUBBER  
 SHOE CO.  
 v.  
 THE  
 BOSTON  
 RUBBER  
 CO. OF  
 MONTREAL.  
 ———  
 Reasons  
 for  
 Judgment.  
 ———

1901  
 THE  
 BOSTON  
 RUBBER  
 SHOE Co.  
 v.  
 THE  
 BOSTON  
 RUBBER  
 Co. OF  
 MONTREAL.  
 ———  
 Reasons  
 for  
 Judgment.  
 ———

good a right to the use of the word "Boston" as anyone else. In that view it may be wrong; but that is not I think the question now before me. What is to be now determined is whether the company may or may not impress its corporate name upon goods of its own manufacture, and that I think it may do in the absence of any fraud or bad faith. Under ordinary circumstances it is not of course necessary to aver or to prove fraud to obtain protection for a trade-mark. But cases in which that which is complained of is the use of one's own name or the use by a company of its corporate name, stand in a somewhat different position. One may, if he does it honestly and with no fraudulent intent, use his own name on his own goods although that may tend to some confusion; and the same is, I think, true of the use by a company of its corporate name.

In the present case the name was no doubt chosen by the persons incorporated; and it was granted by the Crown upon the declaration by Charles Higgins, one of such persons, for himself and those associated with him, that the proposed corporate name of the company was not the name of any other known company incorporated or unincorporated or liable to be fairly confounded therewith, or otherwise on public grounds objectionable. If I thought that there had been intentional deception in obtaining the name, that it had been chosen with a view of reaping an advantage from the reputation that the plaintiffs' rubber boots and shoes had acquired in the market, I do not doubt that I ought to restrain the defendant company from using the name upon the rubber boots and shoes manufactured by it. But I do not think it was selected with any such object or motive; or that it is used (I speak now of the use of the corporate name) in bad faith or for any fraudulent or improper purpose.

Within those limits it has, I think, so long as it is allowed to retain it, a right to use its own name on its own goods. If Higgins' declaration that the name proposed was not liable to be confounded with that of any other company, and that the name is not on public grounds objectionable is not true; if in making that allegation he was mistaken there are appropriate remedies provided, but these are not in question here. There will be judgment for the defendant company, and the costs will follow the event.

1901  
 ~~~~~  
 THE  
 BOSTON  
 RUBBER  
 SHOE CO.  
 v.  
 THE  
 BOSTON  
 RUBBER  
 CO. OF  
 MONTREAL.  
 ———  
 Reasons  
 for  
 Judgment.  
 ———

*Judgment accordingly.*

Solicitor for plaintiff: *R. V. Sinclair.*

Solicitors for defendant: *McGoun & England.*