

MEAGHER BROS. & CO.....PETITIONERS ;

AND

THE HAMILTON DISTILLERY }  
CO., LTD..... } RESPONDENTS.

1903  
May 4.

*Trade-Mark—"Maple Leaf"—Sale of Whiskey—Prior User.*

Certain specific trade-marks to be applied to the sale of whiskey, consisting of the representation of a maple leaf and such words as "Old Red Wheat," "Early Dew," and "Grand Jewel," having been registered, registration of a specific trade-mark to be applied to the sale of whiskey, consisting of the words "Maple Leaf" and the device of a maple leaf on which was impressed the figure of a beaver used separately or in conjunction with the words "Fine Old" and the words "Rye Whiskey, bottled by Meagher Bros. & Co., Montreal," was refused on the ground that it too closely resembled those already registered.

2. The respondents in July, 1892, sought to register a specific trade-mark to be applied to the sale of whiskey consisting of the words "Early Dew," the representation of a maple leaf, and the letters "R. V. O." Objection was raised by the Department of Agriculture that one J. C. had previously obtained registration of a specific trade-mark to be applied to the sale of whiskey, consisting of the monogram "J. C." surmounted by a maple leaf, with the words "Old Red Wheat" above, and "Whiskey Absolutely Pure, James Corcoran, Stratford" below the monogram. Respondents then bought out J. C.'s rights in the mark last mentioned, and had it cancelled, whereupon they obtained registration of their own mark. The petitioners sought, *inter alia*, to have the respondents' mark expunged on the ground that the statement in their declaration that they were the first to use the said mark was untrue.

*Held*, That inasmuch as the declaration made by the respondents was that they believed the trade-mark was theirs on account of having been the first to use it, and that such declaration when made was true; and, further, that when they learned of J. C.'s registered trade-mark they purchased it from him, there was no ground for expunging their trade-mark.

3. In the year 1902 after the controversy between the parties had arisen, and without notice to the petitioners, the respondents obtained registration of another specific trade-mark to be applied

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 BROS. & Co. *Held*, That the registration of the last mentioned trade-mark of the  
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to the sale of whiskey which consisted of the words "Maple Leaf" and the representation of a maple-leaf.

respondents should be expunged.

PETITION to expunge certain trade-marks belonging to the respondents from the Register of Trade-Marks, in the Department of Agriculture, and to register one for the petitioners.

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

March 10th, 1903.

The case was heard at Ottawa.

*M. Goldstein* (*C. J. Brooke* with him) for the petitioners, contended that the declaration on which the respondents obtained their trade-mark of 1892 was untrue, and therefore ought to avoid the registration. The respondents were not the first to use the mark as they declared. Moreover by obtaining a cancellation of Corcoran's registered trade-mark they lost whatever benefit enured to Corcoran thereunder, and put the petitioner's in a better position as against the respondents. He cited *Kerly on Trade-Marks* (1).

*P. D. Crearer* K.C. (*A. Haydon* with him) for the respondents: The respondents made their declaration in good faith in 1892. As soon as they learned of Corcoran's mark they bought him out. As to the question of the cancellation of Corcoran's mark, probably the Department of Agriculture suggested the course taken by the respondents. At all events they are Corcoran's successors in title. Petitioners could not participate in any benefit arising from Corcoran's abandonment of his rights. To all intents and purposes Corcoran assigned his rights to the respondents. He cited *Sabastian on Trade-Marks* (2).

(1) 2nd Ed. pp. 33, 339, 344, 345. (2) 4th Ed. p. 110.

THE JUDGE OF THE EXCHEQUER COURT now (May 4th, 1903) delivered judgment.

This is a petition to have the registration of certain registered trade-marks of the respondents expunged from the Trade-Mark Register, and for a declaration that the petitioners are entitled to register their trade-mark, and for other relief.

On the 22nd of October, 1884, James Corcoran, of Stratford, in the Province of Ontario, obtained registration of a specific trade-mark to be applied to the sale of whiskey, which consisted of the monogram "J.C." surmounted by a maple leaf, with the words "Old Red Wheat" above and "Whiskey Absolutely Pure, James Corcoran, Stratford" below the monogram, as shown in the pattern and application annexed thereto.

Some time in the year 1887, or shortly before, the petitioners commenced to use in connection with the sale of whiskey bottled by them their trade-mark which they now seek to have registered as a specific trade-mark, and which consists of the words "Maple Leaf" and the device of a maple leaf on which is impressed the figure of a beaver used separately or in conjunction with the words "Fine Old" and the words "Rye Whiskey bottled by Meagher Bros. & Co., Montreal."

On the 14th day of July, 1892, the respondents (their corporate name then being "The Hamilton Vinegar Works Company, Limited") having purchased James Corcoran's interest in the trade-mark first mentioned, and the same having been cancelled, obtained registration of a specific trade-mark to be applied to the sale of whiskeys, which consisted of the words "Early Dew," the representation of a maple leaf and the letters "R.V.O."

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On the 3rd of September, 1896, the respondents obtained registration of another specific trade-mark to be applied to the sale of whiskeys, which consisted of the words "Grand Jewel" and the representation of a maple leaf, as shown in the pattern and application annexed.

Then on the 12th of March, 1902, after the controversy now existing between the parties had arisen, the respondents obtained registration of another specific trade-mark, to be applied to the sale of whiskeys, which consists of the words "Maple Leaf" and the representation of a maple leaf.

Now, it will, I think, be convenient to deal first with that part of the relief sought by the petitioners that has to do with the registration of their trade-mark. They were the first, in connection with the sale of whiskeys, to use the words "Maple Leaf" as part of a trade-mark, but they were not, it now appears, the first to use a representation of a maple leaf in that connection. The words "Maple Leaf," it is obvious, appeal to and attract the attention of those only who read the English language, while the picture or representation of a maple leaf catches the eye of every one, no matter what language he speaks or reads or whether he can read any language. Where the representation of the maple leaf is used as a trade-mark in connection with the sale of whiskeys the tendency is that the whiskey will become known as maple leaf whiskey. That tendency will be greater no doubt if to such representation the words "Maple Leaf" are added; and where, as in the case of some of the trade-marks mentioned, other words such as "Red Wheat," "Early Dew" or "Grand Jewel" are used, the tendency mentioned will be lessened, and more or less limited to those who cannot read the English language. But the tendency would exist, and for that reason it seems to me that the

registration of Corcoran's trade-mark, and of the respondents' trade-marks of July 14th, 1892, and September 3rd, 1896, stand in the way of the registration of the petitioners' trade-mark. It the petitioners were entitled, in connection with the sale of whiskeys, to the exclusive use of a trade-mark of which the representation of a maple leaf was a leading characteristic, there would be no difficulty. But they are not so entitled. Corcoran as to this was before them. It is true that he used the representation of a maple leaf in connection with words that to those who could read them suggested another and different thing, and thereby in a measure prevented the maple leaf from being as marked a characteristic as it otherwise would have been; and in this respect he was followed by the respondents in their trade-marks registered in 1892 and 1896. But there are many people in Canada who cannot read English words, and these at least would be liable to mistake the mark that the petitioners ask to register for those so registered by the respondents. The resemblance is, I think, too great to permit of the petitioners' mark being registered.

It is said, however, that Corcoran's trade-mark being cancelled, is out of the way, and part of the relief asked for is that the respondents' trade-mark of the 14th of July, 1892, should be expunged from the register, in so far as the representation of a maple leaf is concerned. The respondents' trade-mark of September 3rd, 1896, was not known to the petitioners when the petition was filed, and is not attacked in this proceeding. Now it is true that Corcoran's trade-mark was cancelled; but that was by arrangement with the respondents, the latter having purchased his rights in the trade-mark when they found that it stood in the way of the registration of their own; and instead of taking an assignment of it, they procured it to be cancelled, and so re-

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moved the objections that had been raised in the Department of Agriculture. At that time the use by the petitioners of their trade-mark was not known either to the respondents or to the Minister of Agriculture. The ground on which the court is asked to direct that this trade-mark be expunged from the register is that the declaration made by the respondents that they were the first to make use of it was not true. The declaration that they made was that they believed the trade-mark was theirs on account of having been the first to use it. That declaration when made was true. When afterwards they learned of Corcoran's registered trade-mark they purchased it from him; and I do not see any ground for expunging from the register the trade-mark they then registered.

The same cannot be said of the trade-mark they registered on the 12th of March, 1902. They knew at that time that the petitioners claimed to have used such a trade-mark for some fifteen years. That claim the latter have clearly sustained in this proceeding. But without notice to the petitioners, and without informing the Minister of Agriculture of the question that had arisen between them and the petitioners, they sought and obtained registration of the trade-mark. Whatever their belief may have been they were not in fact the first to use a trade-mark consisting of the words "Maple Leaf" and the representation of a maple leaf; and they had, it seems to me, no sufficient reason for thinking that they were. With respect to this trade-mark the prayer of the petition should, I think, be granted. But it may be asked what reason exists for expunging this trade-mark from the register when no direction is to be given for registering the petitioners' trade-mark? The reason is that the right to registration is not the only thing to be considered. The petitioners ask that an injunction be granted

restraining the respondents from using the petitioners' trade-mark. But that of course cannot be done before the mark is registered (1). Then the respondents counter-claim and ask that the petitioners be restrained from using the device of a maple leaf or the words "Maple Leaf" either alone, or in conjunction with such device, as a trade-mark for the sale of whiskeys. But, it being doubtful if a counter-claim could be set up in a proceeding such as this, the counter-claim was not pressed, the respondents' rights to bring an action being reserved. Now it may be—I express no opinion one way or the other—that the petitioners have by reason of what has taken place, acquired a right to continue the use of the mark they have been using, although they may not be able to obtain registration thereof, and thereafter to restrain others from using it. It does not follow as a matter of course, that because they are not entitled to registration the respondents may have an injunction against them any more than it would follow that they would be entitled to registration if the respondents could not get an injunction against them. In any event they have a right to have that issue tried out fairly without being embarrassed, as they would be, by the registration of the trade-mark of March 12th, 1902, which the respondents improperly obtained.

There will be a declaration that the entry in the Trade-Mark Register No. 34, Folio 8257, by which, on the 12th of March, 1902, the respondents registered a specific trade-mark to be applied to the sale of whiskeys and which consists of the words "Maple Leaf" and the representation of a maple leaf, and the registration thereof should be expunged from the Trade-Mark Register.

(1) R. S. C. c. 63, s. 19.

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The petitioners will have the costs of the issue on which they succeed, including the general costs of the proceeding.

Against such costs will be set off in favour of the respondents the costs of the issue as to their trademark of the 14th of July, 1892, and of the issue with reference to the registration of the petitioners' trademark.

*Judgment accordingly.*

Solicitors for the petitioners : *Carter & Goldstein.*

Solicitors for the respondents : *Crerar & Crerar.*