1946

BETWEEN:

May 22, 23 & 31.

THE B. MANISCHEWITZ COMPANY,...PLAINTIFF:

AND

Sept. 6

 $\left. \begin{array}{l} \text{HARRY GULA, trading under the firm} \\ \text{name and style of "HARRY GULA'S} \\ \text{TASTY MATZO BAKERY", and the} \end{array} \right\} \\ \text{Defendants.}$ said HARRY GULA, ....

Trade Marks—Infringement—Passing off—The Unfair Competition Act, 1932, s 2, ss. (k) & (l), s 11, ss. (b)—Similar wares—Similar marks— Similar cartons-Evidence as to confusion-Trap orders-Insufficient notice given of instances relied on-Test of similarity of trade mark-Descriptive word—Hebrew word or meaning.

The plaintiff registered the word mark "Tam Tam" for use in association with crackers on the 22nd March 1945. On the 22nd October, 1945, the defendant baked crackers and sold them in cartons under the word mark "Tum Tum". Action was taken by the plaintiff for infringement and passing off.

Held: That there was a contemporaneous use of both marks in the same area in association with similar (as defined by the Act) wares.

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- 2. That the word "Tam" is not a Hebrew or Jewish word but even if it CHEWITZ Co. conveys the meaning of "taste or tasty" to a Hebrew or Yiddish speaking person it would not for that reason be unregistrable. It is not to an English or French speaking person clearly descriptive or misdescriptive of the character or quality of crackers.
- 3. That no weight can be attached to evidence of trap orders of which the plaintiff does not give particulars to the defendant immediately afterward so as to permit the defendant to investigate C. C Wakefield & Co. Ltd. v. Purser (1934) 51 R P.C 167 at 171.
- 4. That the test of similarity of word marks is, not by placing them side by side but by asking whether, having due regard to relevant surrounding circumstances, the defendant's mark as used is similar (as defined by the Act) to the plaintiff's registered mark as it would be remembered by persons possessed of an average memory with its usual imperfections. The Coca-Cola Co. of Canada Ltd. v Pepsi Cola Co. of Canada Ltd. (1942) 59 R.P C 127 at 133
- 5. That the defendant's mark as used is similar (as defined by the Act) to the plaintiff's registered mark and the defendants' mark is an infringement of the plaintiff's registered mark.
- 6. That the defendants have in the course of their business directed public attention to their wares by the use of a similar carton that at the time they commenced so to direct attention to them, it might be reasonably apprehended that their course of conduct was likely to create confusion in Canada between their wares and those of the plaintiff in contravention of Section 11, ss. (b) of the Act.

ACTION by the plaintiff for infringement and passing off.

The action was tried before the Honourable Mr. Justice O'Connor, at Ottawa.

Jack Rudner for the plaintiff.

Hon. A. W. Roebuck, K.C. for the defendant.

The facts and questions of law raised are stated in the reasons for judgment.

O'Connor J., now (September 6, 1946) delivered the following judgment:

This is an action for infringement of the Plaintiff's registered word mark and to restrain the Defendants from passing off their goods as the goods of the Plaintiff.

The Plaintiff's registered mark consists of the words "Tam Tam". The Defendants used the word mark "Tum Tum". Both were applied to crackers or biscuits.

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The Plaintiff was incorporated in the State of Ohio in 1914 for the purpose of manufacturing and selling Matzos and other Passover articles. The Plaintiff applied for registration of the word mark "Tam Tam", applied to crackers and biscuits, in 1939 and such registration was granted by the United States Patent Office on the 31st March 1942, as No. 394,250. The Plaintiff extensively advertised its crackers under the name "Tam Tam" in the United States and the volume of sales in the United States has exceeded \$250,000.00 per year.

In Canada the Plaintiff commenced to use the word mark "Tam Tam" in connection with the sale of crackers on the 30th August 1944. The Plaintiff advertised its crackers under the name "Tam Tam" in Canada both in the newspapers and on the radio. On the 14th March 1945, the Plaintiff applied for registration of the word mark "Tam Tam" applied to crackers and biscuits, and such registration was granted by the Registrar of Trade Marks under the Unfair Competition Act 1932 on the 22nd March 1945, as No. 186,477. The volume of sales by the Plaintiff in Canada for the year ending August 1, 1945, exceeded \$40,000.00.

The Defendants operated for many years a bakery in the City of Toronto, manufacturing and selling Matzos and other Passover articles. Between the 22nd and 30th days of October 1945, the Defendants manufactured crackers for two days only and sold them in cartons under the word mark "Tum Tum". These words appear in large white block letters and above them written in script in smaller letters appears the word "Tasty".

The respective rights of the parties are governed by the Unfair Competition Act 1932.

Section 3 (c) of that Act provides that no person shall knowingly adopt for use in Canada in connection with any wares, any trade mark which is similar to any trade mark which is in use in Canada by any other person and which is registered pursuant to the provisions of that Act as a trade mark for the same or similar wares.

"Similar" in relation to trade marks is defined by the Act:—

2 (k). "Similar", in relation to trade marks, trade names or distinguishing guises, describes marks, names or guises so resembling each other or so clearly suggesting the idea conveyed by each other that the contempo-CHEWITZ Co. raneous use of both in the same area in association with wares of the same kind would be likely to cause dealers in and/or users of such wares HARRY GULA to infer that the same person assumed responsibility for their character or quality, for the conditions under which or the class of persons by whom O'Connor J. they were produced, or for their place of origin.

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I find that the wares of the Plaintiff and Defendants are similar within the meaning of section 2 (1) of the Act and there was a contemporaneous use of both marks in the same area in association with wares of the same kind.

The Defendants contend that the Plaintiff's word mark was not registrable because it is a well known Jewish term equivalent to the English word "taste" or "tasty", and therefore a more laudatory term both descriptive and publici juris.

There was a distinct conflict of opinion between the Hebrew scholars who gave evidence on this point. After considering their evidence very carefully, I accept the opinion of Mose H. Arnoni that "Tam" is not a Hebrew or a Jewish word and that to a Hebrew or Yiddish speaking person, the words "Tam Tam" do not convey anything.

I think that all that can be said in support of the Defendants' contention is that when pronounced "Tam" is similar in sound to the Hebrew word for "tasty". But even if the word "Tam" does convey the meaning of "taste" or "tasty" to a Yiddish speaking person, it would not be unregistrable for that reason. It is an English word being the usual abbreviation for Tam O'Shanter, meaning a Scotch cap. It is not to an English or French speaking person clearly descriptive or misdescriptive of the character or quality of crackers.

Evidence was given by a detective as to trap orders to storekeepers. But there are two objections to this evidence. First, the Plaintiff did not give particulars to the Defendants immediately afterwards so as to permit the Defendants to investigate the same. In C. C. Wakefield & Co., Ltd., v. Purser (1), Farwell, J., said:—

Further, if a person is resorting to a test order or a trap order, even in a case of this kind, where the necessity for such a device may be a real one, that person is bound to carry out the proceedings with the utmost B. MANIS-CHEWITZ CO. U. HARRY GULA ET AL

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fairness to the prospective defendant to the action. It is essential, if the plaintiff is to succeed in the action which he ultimately brings, that he should be able to satisfy the Court that he has acted throughout with the most exact fairness to the defendant and has given him every reasonable chance of investigating the matter for himself, so that he may be in a position to put forward in the action, if one follows, any and every defence properly open to him.

Second, this evidence was not clear as to whether there was any confusion or whether the storekeepers, not having "Tam Tam" crackers, merely substituted "Tum Tum" crackers which they had in stock. This evidence, therefore, does not warrant my attaching weight to it.

A test of similarity of word marks was laid down in The Coca-Cola Company of Canada Ltd., v. Pepsi-Cola Company of Canada Limited (1):—

In these circumstances the question for determination must be answered by the Court, unaided by outside evidence, after a comparison of the Defendant's mark as used with the Plaintiff's registered mark, not placing them side by side, but by asking itself whether, having due regard to relevant surrounding circumstances, the Defendant's mark as used is similar (as defined by the Act) to the Plaintiff's registered mark as it would be remembered by persons possessed of an average memory with its usual imperfections.

A comparison of these word marks in this manner shows clearly that the Defendants' mark as used is similar (as defined by the Act) to the Plaintiff's registered mark.

I am of the opinion that the trade mark used by the Defendants and the registered trade mark of the Plaintiff, are trade marks so nearly resembling each other or so clearly suggesting the idea conveyed by each that the contemporaneous use of both in the same area in association with wares of the same kind, would be likely to cause dealers in and/or users of the same wares to infer that the same person assumed responsibility for their character or quality, for the conditions under which or the class of persons by whom they were produced or for their place of origin. The Defendants have adopted for use in Canada, in connection with their wares, a trade mark which offends against the provisions of section 3 of the Unfair Competition Act.

The Plaintiff adopted a carton for the crackers on which the words "Tam Tam" in large white block letters are B. Manissuperimposed on and within a Star of David, having a blue CHEWITZ Co. background and an irregular red border; the whole super- HARRY GULA imposed on a coloured background consisting of representation of the actual biscuit or cracker contained therein. The carton is rectangular in shape with red borders on the four sides and bottom, and printed on the carton are the words. "The distinct flavour of Tam Tam demonstrates the skill of our master bakers in the baking and blending of its ingredients", and "The perfect cracker Kosher Pareve".

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The Defendants adopted a carton of exactly the same size. The words "Tum Tum" appear in large white block letters superimposed on a blue background. Above the words "Tum Tum" appears the word "Tasty" in smaller letters written in script. The blue background is in the form of a "V" and occupies the same position on the carton as the Star of David which forms the blue background for the lettering on the Plaintiff's carton. Both the lettering "Tum Tum" in white and the "V" in blue are superimposed on a coloured background, consisting of a representation of the cracker contained in the carton. And this background and the background appearing on the Plaintiff's carton are identical. The red border around the bottom with white lettering and the border appearing on the Plaintiff's carton are also identical. On the carton of the Defendants appears the exact wording (except the words "Tam Tam") as set out on the Plaintiff's carton,—"The distinct flavour of Tum Tum demonstrates the skill of our master bakers in the baking and blending of its ingredients", and "The perfect cracker Kosher Pareve". Not only are the exact words used, but they are placed at the same place in the same type of print and colour as those on the Plaintiff's carton.

Section 11 of the Unfair Competition Act gives a statutory right of action for the same wrongs for which a remedy was given at common law in passing off cases:—

<sup>11.</sup> No person shall, in the course of his business.

<sup>(</sup>a) make any false statement tending to discredit the wares of a competitor;

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- (b) direct public attention to his wares in such a way that, at the time he commenced so to direct attention to them, it might be reasonably apprehended that his course of conduct was likely to create confusion in Canada between his wares and those of a competitor;
- (c) adopt any other business practice contrary to honest industrial and commercial usage.

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A comparison of the Defendants' carton with the Plaintiff's carton shows such a striking similarity that confusion between the wares of the Plaintiff and those of the Defendants would be inevitable. The differences that do exist are not such that would avoid confusion.

I am of the opinion that the Defendants have, in the course of their business, directed public opinion to their wares in such a way that, at the time they commenced so to direct attention to them, it might be reasonably apprehended that their course of conduct was liable to create confusion in Canada between their wares and those of the Plaintiff.

The evidence given on behalf of the Defendants is not sufficient to rebut the presumption cast on the Defendants by section 10 of the Act of having knowingly adopted a trade mark or distinguishing guise similar to the Plaintiff's word mark.

The interim injunction granted before the trial will be made permanent.

The Defendants manufactured their crackers for two days only and the total sales made were small. Action was then commenced and an interim injunction granted. The Defendants made some effort to recall the cartons that remained with the distributors. The Defendants' bakery was shortly afterwards destroyed by fire.

Under these circumstances the amount involved does not warrant a further inquiry into damages or an accounting as of profits.

I award the Plaintiff damages in the sum of \$100.00 on the claim for infringement and in the sum of \$100.00 on the claim for passing off, and costs of the action.

Judgment accordingly.