

BETWEEN:

NEHI INCORPORATEDAPPELLANT;

AND

THE REGISTRAR OF TRADE MARKS } RESPONDENT.

1938
Dec. 7.
1939
April 13.

Trade mark—Unfair Competition Act, 22-23 Geo. V, c. 38, s. 14 and s. 26 (1) (g)—“Royal Crown”—Word mark not prohibited by Unfair Competition Act—Appeal from Registrar of Trade Marks allowed.

Held: That the use of the words “Royal Crown” as a word mark is not proscribed by the Unfair Competition Act, 22-23 Geo. V, c. 38.

APPEAL from the refusal of the Registrar of Trade Marks to register the words “Royal Crown” as a trade mark.

The appeal was heard before the Honourable Mr. Justice Maclean, President of the Court, at Ottawa.

O. M. Biggar, K.C. for appellant.

W. P. J. O’Meara, K.C. for respondent.

The facts are stated in the reasons for judgment.

THE PRESIDENT, now (April 13, 1939) delivered the following judgment:

This is an appeal from the refusal of the Registrar of Trade Marks to register as a word mark the words “Royal Crown,” to be applied on wares ordinarily and commercially described as non-alcoholic beverages or soft drinks, bottles therefor, the caps and crowns of such bottles, and other articles pertaining to the manufacture and sale of such beverages. The appellant, a corporation duly organized under the laws of the State of Georgia, U.S.A., and its predecessors in title, have used the word mark “Royal Crown” in the United States since 1906.

The refusal of the Registrar was made on the ground that as a representation of the Royal Crown, or a crown nearly resembling the Royal Crown, was not registrable

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under s. 14 of the Unfair Competition Act, and, as held in *Simms v. The Commissioner of Patents* (1), no person should be permitted to register as a trade mark a designation in words of the Royal Crown.

Section 14 of the Unfair Competition Act in part states that no person shall be entitled to adopt for use in connection with his business as a trade mark or otherwise, any symbol consisting of, or so nearly resembling as to be likely to be mistaken for,

- (a) the Royal Arms, Crest or Standard;
- (b) the arms or crest of any member of the Royal Family;
- (c) the national flag in any of its forms;
- (d) the standard, arms or crest of His Excellency the Governor General.

It is well settled law that where one trader has registered a device, a design mark, another trader cannot register a description in words of that device, in connection with similar wares. In fact, this principle is to be found in the Unfair Competition Act itself, and one is not required to rely on decided cases for this proposition. Sec. 26 (1) (g) states:

Subject as otherwise provided in this Act, a word mark shall be registrable if it

- (g) is not such as to suggest the name in French or English of some feature of a design mark already registered for use in connection with similar wares which is so characteristic of the design mark that its name would not be unlikely to be used to define or describe the wares in connection with which the design mark is used.

But that is not this case. Here there is no registered design of the Royal Crown as a mark, and such a registration cannot be entertained. Consequently, the word mark applied for here, the subject-matter of this appeal, does not define or describe a registered design mark. Sec. 14 strikes not only against the registration of the symbols mentioned therein but also against their adoption and use as trade marks, or otherwise. If a representation of the Royal Crown were used on a commercial van that would, I apprehend, fall within the prohibition.

I am going to assume—though there is no evidence upon it—that the Royal Crown constitutes a part of the Royal Arms, Crest or Standard. The question then for decision

is whether a designation of the Royal Crown in words, by the use of the words "Royal Crown" as a trade mark, comes within any of the prohibitions of s. 14. I cannot see how it can be said that those words so nearly resemble "as to be likely to be mistaken for the Royal Arms, Crest or Standard," because in fact there is no resemblance at all. There is no attempt here to register any representation of the Royal Crown. The prohibition is directed against the use of any symbol which is likely to be mistaken for any of the arms, crests, flags or emblems, enumerated in s. 14. If a statute prohibits the adoption and use of a representation of certain things as trade marks we must look carefully to the precise language of the statute containing the prohibition. In such a case as this we must keep in mind the fact that the statute here is dealing with the subject-matter of trade marks, and one of the objects of the statute is to avoid confusion or deception resulting from the use of marks which resemble one another. If the adoption and use of representations of certain things is prohibited, it is fair to enquire if a word mark, which is sought to be registered, resembles a representation of the thing which is prohibited, not only from registration but from adoption or use at all as a trade mark, or otherwise. Now, as I have already stated, and as s. 14 states, the prohibition here relates to the adoption and use of a symbol, as a trade mark, "consisting of or so nearly resembling as to be likely to be mistaken for the Royal Arms, Crest or Standard," and so on. That is to say, if the Registrar is correct, one must hold that the words "Royal Crown" resemble the Royal Arms, Crest or Standard, or, the standard, arms or crest of His Excellency the Governor General. If one cannot so hold then, I think, the registration must be allowed.

In the sense of the statute, can it be said that the words "Royal Crown," if used as a mark, nearly resemble the Royal Arms or Crest, or that they would suggest that Royal patronage or authorization was extended to the applicant here, if the words were registered? The use of the words "Royal" and "Crown," separately, as trade names or unregistered trade marks, is not uncommon in Canada, and one need only refer to city directories to observe the extent of this practice, and possibly both such

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words may be found registered as trade marks. In such cases I doubt if the public ever associate either of those words, when so used, with the Royal Arms, Crest or Standard. I doubt if the Registrar would be justified in refusing registration of the word "Royal" or the word "Crown," as a trade mark, if free from any accompanying device or symbol resembling the Royal Arms, Crest or Standard, and there being no other objection. Under the English Trade Mark Rules the use of the word "Royal" is prohibited but only when calculated to lead persons to think that the applicant has Royal patronage or authorization.

Now, do the words "Royal" and "Crown" when combined as "Royal Crown," alter the situation? Can it be said that those words fall within the prohibitions of s. 14, and that they might be construed as a representation resembling the Royal Arms or Crest? The statute does not prohibit the use of those words as a trade mark, singly or in combination. The statute, then, not proscribing the use of the words "Royal" or "Crown" I do not see, after a careful consideration, how the application for registration can be refused. I do not reach that conclusion without some anxiety but yet I do not see what other conclusion I can reach. I doubt very much if the words "Royal Crown," when used for the purpose here intended, and unaccompanied by any design or symbol resembling the Royal Crown, and which could never be lawfully used by the applicant in Canada, would be regarded by the public as designating the Royal Arms, Crest or Standard, or suggestive of Royal patronage or authorization. But the major difficulty I see in sustaining the decision of the Registrar is that the mark here applied for is not of the character prohibited by s. 14, and s. 14 does not seem to have been directed against such a mark. It was directed against marks of a different type. I do not think it possible that the word mark in question could be mistaken for a representation of the Royal Crown, and it is such a mistake, I think, that s. 14 seeks to prevent. I quite realize that there is much to be said in support of the refusal of the Registrar, and possibly the statute should ban the use of such words as registrable marks, but presently it does not.

The appeal is therefore allowed. There will be no order as to costs.
Appeal allowed.