

BETWEEN :

THE GOTTFRIED COMPANY.....

PLAINTIFF

AND

THE COMFORT KIMONA AND
DRESS MANUFACTURING COM-
PANY.....

DEFENDANT

1948
Apr. 8
Sept. 17

Trade Mark—The Unfair Competition Act of 1932, 22-23 Geo. V, c. 38, sec. 28(1)(d)—Mark “Marie Dressler” written in script and surrounded by a frame as registered in U.S.A.—Mark “Marie Dressler” as registered in Canada—Same owner—Registration in Canada of a group of words which had not already been registered as a trade mark in country of origin—Mark “Marie Dressler” as registered in U.S.A. a design-mark under the Unfair Competition Act—Section 28(1)(d) of the Act not applicable to design-marks but only to word-marks—Invalidation of word-mark “Marie Dressler”—Letters not marked “without prejudice” and resulting in settlement of an intended

1948
 THE GOTT-
 FRIED
 COMPANY
 v.
 THE
 COMFORT
 KIMONA AND
 DRESS
 MANUFACTURING CO.

litigation admissible as evidence—Estoppel not created by letters in so far as counterclaim for expungement is concerned—Action dismissed—Counterclaim allowed.

Plaintiff on December 28, 1938, under No. N.S. 10591 registered pursuant to the provisions of the Unfair Competition Act of 1938 the trade mark "Marie Dressler" for use on wares described as dresses, hooverettes and coats. Plaintiff had already registered in U.S.A. under No. 320,829 the mark "Marie Dressler" written in script and surrounded by a frame for ladies dresses, in class 39, clothing. Defendant while the registered owner of the word-mark "Magicoat" was using the mark "Marie Dressler" on its wares. Certain correspondence was passed between solicitors of plaintiff and defendant in 1940 and defendant then undertook not to use the mark "Marie Dressler" until a judgment had been given in the Exchequer Court upsetting plaintiff's contention. Defendant discontinued to use the mark for a few months and then continued to use it again.

The action is one for infringement. Defendant denies infringement and claims by way of counterclaim that the mark "Marie Dressler" should be expunged from the register.

Held: That the letters are admissible because they were not marked "without prejudice" and they did result in a settlement. *Scott Paper Company v. Drayton Paper Works Ltd.* (1927) 44 R.P.C. 151 at 157 distinguished.

2. That the letters are relevant to the issue whether they create an estoppel and, therefore, are admissible.
3. That an estoppel was not created by the letters in so far as the counterclaim for expungement is concerned.
4. That plaintiff has registered in Canada under section 28(1) (d) of the Unfair Competition Act a group of words which it had not already caused to be duly and validly registered as a trade-mark in the country of origin.
5. That the mark plaintiff registered in the country of origin would be a design-mark under the Unfair Competition Act and provisions of section 28(1) (d) are not applicable to design-marks but only to word marks.
6. That the registration of plaintiff's mark is invalid and must be expunged.

ACTION by which plaintiff seeks an injunction and damages for alleged infringement by defendant of the trade-mark "Marie Dressler".

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

S. F. M. Wotherspoon for plaintiff.

Gordon F. Henderson for defendant.

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

O'CONNOR J. now (September 17, 1948) delivered the following judgment:

1948
 THE GOTT-
 FRIED
 COMPANY
 v.
 THE
 COMFORT
 KIMONA AND
 DRESS
 MANUFAC-
 TURING CO.

The plaintiff was incorporated under the laws of the State of Ohio, and has its principal office in the city of Cleveland, Ohio. The defendant is a Company incorporated under the laws of the Province of Quebec, and has its principal office in the city of Montreal. The plaintiff seeks an injunction and damages for alleged infringement by the defendant of the trade-mark "Marie Dressler". The defendant denies infringement and claims by way of counterclaim that the registration should be expunged from the register.

The plaintiff on the 8th of January, 1935, under No. 320,-829 registered the mark "Marie Dressler" written in script and surrounded by a frame in the Patent Office of the United States of America for ladies' dresses, in class 39, clothing. The application stated that the trade-mark had been continuously used and applied to the said goods in the applicant's business since April, 1931.

The registration was made under the Act of 1905—33 U.S. Statutes, pt. 1 (1903-1905) chap. 592, of which Section 5 provides:—

Sec. 5. That no mark by which the goods of the owner of the mark may be distinguished from other goods of the same class shall be refused registration as a trade-mark on account of the nature of such mark unless such mark—

(a) * * *

(b) * * * *Provided*, That no mark which consists merely in the name of an individual, firm, corporation, or association, not written, printed, impressed, or woven in some particular or distinctive manner or in association with a portrait of the individual, or * * * shall be registered under the terms of this Act: * * *

By an application dated 27th November, 1935, the defendant applied to register pursuant to the Unfair Competition Act of 1932, the following:—

Magicoat
 Seam to seam overlap
 Tailored with a hem.
 Marie Dressler
 Slender stouts
 Tailored with a hem.

The application stated that the applicants had used the said mark since the month of March, 1935, on wares described as "women's cotton frocks and garments".

1948
 THE GOTT-
 FRIED
 COMPANY
 v.
 THE
 COMFORT
 KIMONA AND
 DRESS
 MANUFAC-
 TURING CO.
 O'Connor J.

The Registrar refused registration on the grounds that the application contained two separate and distinct word-marks and consisted of more than 30 letters divided into more than four groups and that the words were of a descriptive nature and not registrable under Section 26(1) (c). And that as Section 26(1) (b) of the Act provided that the name of a person may not be registered as a trade-mark and as "Marie Dressler" was a personal name, such words were not registrable.

Section 26(1)(b) provides:—

26(1) Subject as otherwise provided in this Act, a word mark shall be registrable if it,

(a) * * *

(b) is not the name of a person, firm or corporation.

The defendant then made a separate application for the registration of the word-mark "Magicoat" which was granted. The defendant continued to use the mark "Marie Dressler".

The plaintiff on the 20th July, 1937, applied to register the word-mark "A Marie Dressler Dress". The application stated that the trade-mark had been used in Canada on dresses, hooverettes and housecoats and that the mark was first used in the United States on the 1st April, 1931, and that the first use of the mark in Canada occurred on the 15th August, 1931. The Registrar refused the application for the reason that under the provisions of Section 26(1)(b) of the Act, the name of a person was not registrable as a trade-mark.

On the 6th December, 1938, the Registrar wrote to the solicitor in Ottawa for the plaintiff Company stating that as the registration in the United States was for "the word mark Marie Dressler", he was prepared to grant registration of this word on the basis of Section 28(1)(d), provided the plaintiff Company submitted a new application for registration of the word-mark "Marie Dressler" only.

Section 28(1)(d):—

28(1) Notwithstanding anything hereinbefore contained:—

(a) * * *

(b) * * *

(c) * * *

(d) A word or group of words, which the applicant or his predecessor in title, without being guilty of any act of unfair competition, has already caused to be duly and validly registered as a trade mark in the country of origin of such registration, shall, although otherwise unregistrable by

reason of its or their form, sound or meaning, be registrable under this Act provided (i) that its use as a trade mark is not prohibited by this Act; (ii) that it is not calculated to deceive nor otherwise contrary to some law or regulation directly concerned with the maintenance of public order; (iii) that it is not in conflict with any mark already registered for similar wares; (iv) that having regard to all the circumstances, including the length of time its use has continued, it cannot be said to be wholly without distinctive character; (v) that it does not include the personal or trade name of any person domiciled or carrying on business in Canada.

1948
 THE GOTT
 FRIED
 COMPANY
 v.
 THE
 COMFORT
 KIMONA AND
 DRESS
 MANUFAC-
 TURING Co.
 O'Connor J.:

By an application dated 12th December, 1938, the plaintiff Company then applied for registration of the word-mark "Marie Dressler" in association with wares described as "dresses, hooverettes and housecoats" and stated that the mark was first used in the United States on the 1st April, 1931, and that the first use of the mark in Canada occurred on the 15th August, 1931. The application was accepted and the Certificate of Trade Mark registration N.S. 10591 was sent to the plaintiff's solicitor on the 28th December, 1938. The Certificate shows the registration date as the 27th July, 1937, which was the date of the application to register "A Marie Dressler Dress". The Certificate also sets out the 1st April, 1931, as the date of first use. A discontinuance, dated December 29th 1938, of the application for the registration of the mark "A Marie Dressler Dress" was filed with the Registrar.

On the file of the Registrar in connection with the plaintiff's application, are certain letters written after the registration of the plaintiff's word-mark between the Registrar and the defendant's solicitors.

Counsel for the plaintiff objected to their admission. The objection was not as to the form of the evidence, but on the ground that they were written after the registration of the plaintiff's mark, and were not relevant to the issues here.

These letters tend to show that the defendant has throughout maintained its right to use the mark and the letters are, in my opinion, admissible.

On the 2nd February, 1939, the solicitors for the defendant wrote to the Registrar protesting the plaintiff's registration of the word "Marie Dressler" in Canada, when the defendant's application had been refused. The Registrar in his reply stated that the defendant's application was for

1948
 THE GOTT-
 FRIED
 COMPANY
 v.
 THE
 COMFORT
 KEMONA AND
 DRESS
 MANUFAC-
 TURING Co.
 O'CONNOR J.

“the registration of what is commonly called a composite mark”, and he stated that the plaintiff’s registration was based upon the terms of the International Convention, and that under the terms of Section 28(1) (d) there was no alternative other than to register the mark. The Registrar on the 30th May, 1940, advised the solicitors for the defendant that:—

Some months ago, the question was raised as to whether or not a personal name was registrable even in view of the terms of the International Convention. The office is now awaiting judgment from the Exchequer Court on litigation which is pending before it.

Counsel for the plaintiff tendered certain correspondence passing between the solicitors for the plaintiff and the defendant Company in 1940. Subject to the determination as to the admissibility of the letters the parties agreed under paragraph 1 of the Agreement of Fact, that such letters were written and agreed as to the contents without further proof, Counsel for the defendant contended first, that the letters were not admissible on the grounds that they were written in settlement of intended litigation and were, therefore without prejudice whether marked “without prejudice” or not. *Scott Paper Company v. Drayton Paper Works Ltd.* (1). That contention cannot prevail in my opinion, because these letters were not marked “without prejudice” and they did result in a settlement. And that fact distinguishes this correspondence from the admissions dealt with in the *Scott Paper case (supra)*.

The next contention of counsel for the defendant is that the correspondence does not establish an adoption of the mark and does not create an estoppel, and therefore is not admissible. But in my view the letters are relevant to those issues and are admissible. Whether they do create an estoppel or establish that the defendant knowingly adopted the mark is another question.

In view of the conclusion that I reach that the plaintiff’s mark must be expunged, it is not necessary for me to deal with the question of “knowingly adopted” and for the same reason I deal with the question of estoppel only in so far as it affects the issue of expungement.

The Pleadings disclose that the plaintiff’s action is one for infringement. The action is not framed as a breach of

contract. Per Cameron, J., in *The Gottfried Company v. The Comfort Kimona and Dress Manufacturing Company* (1). The correspondence is not tendered, therefore to establish a contract. The defendant denies infringement and counterclaims for expungement. In its defence to the counterclaim the plaintiff alleges that the defendant is estopped from alleging the invalidity of the plaintiff's registration because of the undertaking of the defendant contained in the letter of July 18, 1940, from the solicitor of the defendant to the solicitor for the plaintiff. The letter forms part of the correspondence and is, in part, as follows:—

1948
 THE GOTT-
 FRIED
 COMPANY
 v.
 THE
 COMFORT
 KIMONA AND
 DRESS
 MANUFACT-
 URING Co.
 O'CONNOR J.

I have gone into the matter quite thoroughly and I find that there is at the present moment in the Exchequer Court a contested action which bears directly on the issue in this case.

I am fully prepared to give you the assurances that you asked for in your letter of the 15th inst. I merely wish to add that if in the future a judgment is rendered in the Exchequer Court, the effect of which will upset your present contentions, that my client in that case be permitted the use of the trademark, "Marie Dressler". I believe that this suggestion is reasonable and cannot prejudice your client in any way.

Until such time, then, I am authorized to advise you that my client has ceased and will not again use this trademark in virtue of the pretensions that you have made in an earlier letter that you had sent to me.

But whatever may be said in support of the argument that an estoppel was created by this correspondence on the question of infringement, it is clear that those contentions are not applicable in respect to the counterclaim for expungement.

In any event the effect of the whole of the correspondence was to deny the validity of the plaintiff's mark. But in view of some decision then pending in this Court, the defendant undertook not to use the mark until the judgment had been given upsetting the plaintiff's contention.

There was no express representation that the plaintiff's mark was valid. There was at best an implied representation but this was qualified and conditional.

The defendant could have taken expungement proceedings the day after the letter was written. And the plaintiff could not then and, in my opinion, cannot now in defence to the counterclaim, contend that the defendant is estopped from so doing by the undertaking. The defendant has a

1948
 THE GOTT-
 FRIED
 COMPANY
 v.
 THE
 COMFORT
 KIMONA AND
 DRESS
 MANUFACT-
 URING CO.
 O'Connor J.

statutory right under the Unfair Competition Act to move to expunge the plaintiff's mark and is not, in my opinion, estopped from so doing by this undertaking.

Counsel for the defendant tendered certain letters purporting to be written by a solicitor for the plaintiff Company in Cleveland, to the defendant's solicitors, Bernstein and Rohrlick. Counsel for the plaintiff Company objected to the admission of these letters without further proof. Counsel for the defendant was not able to establish that the firm in Cleveland were solicitors for the plaintiff or that the letters written by the solicitors for the defendant had been received by this firm of solicitors in Cleveland. The letters must be rejected because they have not been proven.

The defendant Company discontinued the use of the mark "Marie Dressler" in July, 1940, for a few months only, and then continued to use it again and did so continuously until 1947.

An agreed Statement of Facts was submitted by counsel setting out certain facts relating to subparagraph (v) of Section 28 (1) (d). In my opinion these facts do not establish that "Marie Dressler" was the personal name of any person domiciled in Canada, or that "Marie Dressler" was the trade name (defined by Section 2(n)) of any person carrying on business in Canada.

Evidence was given by Mr. T. J. Bailey of Washington, D.C., a lawyer specializing in patents and trade-marks. His training and experience are set out in the evidence and there is no question as to his qualifications to give expert opinion in these matters. His evidence may be summarized as follows:—

The mere name of an individual as such, i.e. in ordinary block type is not a good technical trademark, i.e., a mark used to distinguish wares. *Woodbury v. Woodbury*, 23 Fed. Sup. 162; *Charles Broadway Rouss Inc. v. Winchester Co.*, 300 Fed. 706.

A name as such is not registrable under the Act of 1905. It is merely the presence of some additional display matter, either by way of a design surrounding the name or by way of peculiar lettering in the name itself that renders it registrable.

In order to register under the Act of 1920, the requirement was that the name be connected with a display or printed in a peculiar or unusual manner, the display being such at least as to weight as much in the eye of the observer as the name. *Ex Parte Sperti* 68 U.S.P.Q. p. 93, where it was held that the name "Sperti" in block letters printed vertically was not distinctively displayed and therefore not registrable under the Act

of 1905. In *Ex parte Ayerst McKenna and Harrison Ltd.*, 71 U.S.P.Q. 297, the name "Ayerst" which was written in script but which was not the signature of the applicant was held to be unregistrable under the Act of 1905.

That in his opinion the name "Marie Dressler" independently of any particular form would not be registrable under the 1905 Act, and it was the combination of the script letters and the surrounding design that constituted the registrable features of the trade-mark registration No. 320,829.

And in his opinion the use by a vendor of ladies' dresses of letters constituting the name "Marie Dressler" in block letters would not infringe the U.S. registration 320,829.

That the Courts of the United States in considering the infringement of a combination mark consisting of words plus some form of design, took into account the dominant feature of the mark whether it was the design or the words. But in either case, if the dominant feature was not a good technical trade-mark, there could be no trade-mark infringement by the use of that portion of the composite mark.

The question is this: Has the plaintiff registered in Canada under Section 28(1)(d) a group of words which the plaintiff had already caused to be duly and validly registered as a trade-mark in the United States?

Section 28(1)(d) is an exception to the whole scheme of the Act. Under the provisions of the Act, prior use is essential to registration of a mark. But under Section 28(1)(d) registration can be effected without prior use of marks and "otherwise unregistrable by reason of its or their form, sound or meaning". The plaintiff must, therefore, be shown to be clearly within the express words of the Section.

In my opinion the plaintiff was not entitled to register the words "Marie Dressler" under Section 28(1)(d) for the following reasons:—

In their natural and ordinary sense the words used, "a word or words which the applicant * * *, has already caused to be duly and validly registered as a trade mark in the country of origin of such registration", means that registrations under Section 28(1)(d) may be made of trade-marks which consist only of a word or group of words and which the applicant has caused to be registered in the country of origin. That is of trade-marks which under the Unfair Competition Act are "word marks".

The trade-mark which the plaintiff caused to be registered in the United States did not consist of words alone. And a trade-mark is not one part of the matter. It is the whole thing.

1948
 THE GOTT-
 FRIED
 COMPANY
 v.
 THE
 COMFORT
 KIMONA AND
 DRESS
 MANUFAC-
 TURING Co.
 O'Connor J.

1948

THE GOTT-FRIED COMPANY v. THE COMFORT KIMONA AND DRESS MANUFACTURING CO.
O'Connor J. *In re Christiansen's Trade Mark* (1), the Master of the Rolls at page 61 said:—

We are to consider whether the one trade mark is so like the other trade mark that it is calculated to deceive. What is the trade mark? The trade mark is not the distinguishing feature of the trade mark. The trade mark is not one part of the matter. The trade mark is not in the one case "Medals" and in the other case "Nitedals". That is not the trade mark. If you say that, you strike out all the rest. The trade mark is the whole thing, the whole picture on each. You have, therefore, to consider the whole.

The section does not provide that a word or group of words out of a registered trade-mark may be registered. But it provides that a word or group of words registered as a trade-mark in the country of origin, may be registered under the Unfair Competition Act.

The plaintiff in my opinion did not register the words "Marie Dressler" in the United States. This is clear from Mr. Bailey's evidence, which I accept, supported as it was by the authorities and statutes. The words "Marie Dressler" were not the registrable feature of the mark and, in themselves, did not constitute a good technical trade-mark. And the use by another of the words "Marie Dressler" in block type would not infringe the plaintiff's mark.

The plaintiff has, therefore, registered in Canada under Section 28(1)(d) a group of words which it had not already caused to be duly and validly registered as a trade-mark in the country of origin.

The protection which the plaintiff obtained in the United States was in respect to form. The mark the plaintiff registered in the United States would be then a design-mark under the Unfair Competition Act. And in my opinion the provisions of Section 28 (1) (d) are not applicable to design-marks but only to word-marks. In *Albany Packing Company Inc., v. The Registrar of Trade Marks* (2), Maclean P., said.—

Sec. 28(1)(d) would appear to enact that if an applicant has registered a word mark—not a design mark—in the "country of origin", and though it be unregistrable under any previous section of the Act, it shall nevertheless be registrable if not barred by any one of the five provisos therein mentioned.

(1) (1886) 3 R.P.C. 54.

(2) (1940) Ex. C.R., 256 at 272.

Counsel for the plaintiff made reference to Article 6 of the Convention defined by Section 2(a). Reference may properly be made to the Convention, but only on the basis set out in *Kerly on Trade Marks* 6th Ed., p. 673:—

The Convention * * * may be referred to by the Court as a matter of history, in order to enable it to understand under what circumstances the sections of the Act were passed; *Carter Medicine Co.'s Tm.*, (1892) 3 Ch. 472; 9 R.P.C., 401: but the terms of the Convention cannot be employed as a guide to interpret the sections, *Californian Fig Syrup Co.'s Tm.* (1888), 40 Ch.D. 620; 6 R.P.C., 126, for a treaty with a foreign State binds the subjects of the Crown only in so far as it has been embodied in legislation passed into law in the ordinary way: *Californian Fig Syrup case*, (*supra*), and *Walker v. Baird* (1892) A.C. 491.

1948
THE GOTT-
FRIED
COMPANY
v.
THE
COMFORT
KIMONA AND
DRESS
MANUFAC-
TURING CO.
O'CONNOR J.

Article 6 of the Convention is, in part, as follows:—

A. Every trade-mark duly registered in the country of origin shall be admitted for registration and protected in the form originally registered in the other countries of the Union under the reservations indicated below. These countries can demand, before proceeding to a final registration, the production of a certificate of registration in the country of origin issued by the competent authority. No legalization shall be required for this certificate.

The plaintiff did not, however, register its trade-mark in Canada *in the form originally registered* in the country of origin as provided by Article 6A.

B. (1) * * *

(2) Trade-marks cannot be refused in the other countries of the Union on the sole ground that they differ from the marks protected in the country of origin only by elements not altering the distinctive character and not affecting the identity of the marks in the form under which they have been registered in the aforesaid country of origin.

The name of a person is not adapted to distinguish his goods from those manufactured by other persons of the same name. In *Magazine Repeating Razor Company of Canada Limited et al v. Schick Shaver, Limited*, (1), in discussing Rule 11(e) made under Section 42 of the *Trade Mark and Design Act* R.S.C. 1927, c. 201 which is in these words:—

11. The Minister may refuse to register any trade mark or union label.

(e) if the so-called trade mark does not contain the essentials necessary to constitute a trade mark, properly speaking.

Duff, C.J., said at page 472:—

The registration of a surname which had not acquired a secondary meaning, in such a manner as to become adapted to distinguish the goods of the applicant, would be wanting in the essential elements of a trade mark within the contemplation of section 11. That, I think, was the law governing the registration of trade marks under the Trade Marks Act.

1948

THE GOTT-
FRIED
COMPANY

v.

THE
COMFORT
KIMONA AND
DRESS
MANUFAC-
TURING Co.

O'Connor J.

The name of a person is not registrable under the *Un-
fair Competition Act* by reason of Section 26(1)(b). It is
only registrable under the *United States Act of 1905* and
under the *English Patent, Design and Trade Mark Act of
1883*, when written "in some particular or distinctive
manner".

The mark registered in Canada differed from the mark
registered in the United States by the very elements that
allowed it to be registered in the United States, and without
which it could not have been registered in the United States.

And those differences altered the distinctive character and
affected the identity of the mark in the form under which
it had been registered in the United States.

I hold that the registration of the plaintiff's mark is
invalid and must be expunged. It follows that the plain-
tiff's action for infringement must be dismissed by reason
of the provisions of Section 4(4).

The defendant will have its costs of the action.

Judgment Accordingly.