

BETWEEN:

J. A. & M. CÔTÉ LIMITÉE.....APPLICANT;

AND

THE B. F. GOODRICH COMPANY.....RESPONDENT.

1946
Sept. 17, 18
1949
Dec. 30

*Trade Mark—The Trade Mark and Design Act, R.S.C. 1927, c. 201, s. 45—
The Unfair Competition Act, 1922, 22-23 Geo. V, c. 33, s. 52(1)—
“Footgluv”—“Shuglov”—Application to expunge or to have trade mark
registration restricted to certain wares—Ownership in trade mark
created by its adoption and its use—Registration mere confirmation
of title.*

Applicant, owner of the trade mark “Footgluv” as applied to “leather boots and shoes,” sought to have expunged from the register the trade mark “Shuglov” previously registered by respondent in respect of “footwear, particularly rubber boots and shoes and rubber overshoes” or, in the alternative, to have the trade mark registration restricted to “rubber boots and shoes and rubber overshoes”, on the grounds that the trade mark “Shuglov” did not accurately define the existing rights of respondent.

Held: That one can only obtain the registration of a mark which has already been used. It is the adoption of a trade mark and its use which create a right of ownership therein and the registration merely confirms the title.

2. That the trade mark registration “Shuglov”, appearing in the name of the respondent, should be expunged and struck out from the register.

APPLICATION for an order expunging respondent’s trade mark from the register of Trade Marks or, in the alternative, restricting the trade mark registration to certain wares.

The application was heard before the Honourable Mr. Justice Angers, at Montreal.

H. Gérin-Lajoie, K.C. and *Gérald Fauteux, K.C.* for applicant.

Christopher Robinson, K.C. for respondent.

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

ANGERS J. now (December 30, 1949) delivered the following judgment:

By notice of motion dated July 10, 1945, and filed on July 12 the applicant notified the respondent that pursuant to section 52 of the Unfair Competition Act, 1932, a motion will be made on behalf of the applicant for an order

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directing the striking out of the entry in the trade mark register relating to the registration by the respondent of the trade mark "Shuglov" for use on "footwear, particularly rubber boots and shoes and rubber overshoes", made on October 8, 1932, in the trade mark register No. 258, folio 55,426, or in the alternative for an order directing the amendment of the said entry by restricting the wares to which the said trade mark applies to "rubber boots and shoes and rubber overshoes".

Written pleadings were ordered and duly filed.

In its statement of claim the applicant alleges in substance:

the applicant is a corporation organized and existing under the laws of the Dominion of Canada and having its head office in the City of St. Hyacinthe, Province of Quebec;

the respondent is a corporation organized under the laws of the State of New York, one of the United States of America, having its head office in the City and State of New York;

on October 8, 1932, the respondent obtained the registration in its name, at the office of the Commissioner of Patents, of a specific trade mark, under the Trade Mark and Design Act, consisting of the word "Shuglov" as applied to the sale of "footwear, particularly rubber boots and shoes and rubber overshoes", the said registration having been made in register No. 258, folio 55,426;

the trade mark "Shuglov" does not accurately define the existing rights of the respondent, who appears as the registered owner of the mark;

the respondent has failed to ever make use of its trade mark "Shuglov" to any appreciable extent, particularly in Canada, and if the said trade mark has ever been used by the respondent, it has since a number of years become abandoned;

the respondent is a well-known manufacturer of and dealer in rubber products exclusively, carrying on business as such throughout the United States and Canada, and such use as may have been made by it of the trade mark "Shuglov" has been exclusively in connection with the sale of rubber overshoes;

subsidiarily and under reserve of all other grounds alleged herein, the said trade mark registration in respondent's name, covering footwear generally and not being restricted to rubber overshoes and to rubber boots and shoes, is too broad and covers more than that to which the respondent might be entitled;

the applicant is a boot and shoe manufacturer carrying on business in Canada and since April 15, 1942, it has used, in connection with the manufacture and sale of leather boots and shoes, a trade mark consisting of the word "Footgluv", registered in the applicant's name on May 8, 1942, in register No. N.S. 69, folio 18,206, as applied to "footwear in the form of boots and shoes";

the use by applicant of its trade mark "Footgluv" being and having been exclusively in connection with leather boots and shoes, the said trade mark registration was amended, at the applicant's request, in the register of trade marks, as of July 11, 1945, by the deletion therefrom, in the statement of wares in association with which the mark is used, of the words "footwear in the form of" and the substitution therefor of the word "leather";

in virtue of the said amendment, the applicant's trade mark registration "Footgluv" now applies, since July 11, 1945, to "leather boots and shoes", instead of "footwear in the form of boots and shoes";

since the registration of its trade mark "Footgluv", on April 15, 1942, the applicant has made an extensive use, as applied to "leather boots and shoes", of its said trade mark, which has come to be widely known throughout Canada as identifying the applicant's goods;

proceedings, which are still pending, have been instituted before this Court by the present respondent against the present applicant for an order directing the striking out from the register of the trade mark "Footgluv", by reason of the prior registration in the present respondent's name of the trade mark "Shuglov" and of the alleged similarity of the two trade marks and of the wares in respect of which they have been registered and used;

for the above reasons the respondent's trade mark "Shuglov" should be struck out or, in the alternative, the entry should be amended by restricting the wares in asso-

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ciation with which the mark is used to "rubber boots and shoes and rubber overshoes" and the applicant has an interest in praying that it be so ordered;

wherefore the applicant claims:

- a) That it may be ordered and declared that the trade mark registration "Shuglov" in trade mark register No. 258, folio 55,426 on October 8, 1932, in the name of respondent, be expunged and struck out;
- b) that, in the alternative, it may be ordered and declared that the said entry be amended by restricting the wares in association with which the mark is used to "rubber boots and shoes and rubber overshoes" instead of "footwear, particularly rubber boots and shoes and rubber overshoes".

In its statement of defence the respondent alleges in substance:

it admits the designation of the parties contained in the statement of claim;

it admits that on October 8, 1932, it obtained the registration in its name of a specific trade mark under the Trade Mark and Design Act, consisting of the word "Shuglov", as applied to the sale of "footwear, particularly rubber boots and shoes and rubber overshoes";

it admits that the word "Footgluv" was registered in applicant's name;

it admits the use by applicant of its trade mark "Footgluv" being and having been exclusively in connection with leather boots and shoes, the said trade mark registration having been amended, at the applicant's request, on July 11, 1945, by the deletion therefrom, in the statement of wares in association with which the mark is used, of the words "footwear in the form of" and the substitution therefor of the word "leather";

it admits that in virtue of the said amendment the applicant's trade mark "Footgluv" applies since July 11, 1945, to "leather boots and shoes" instead of "footwear in the form of boots and shoes";

it admits that proceedings, still pending, have been instituted by the present respondent against the present applicant for an order directing the striking out from the register of the trade mark "Footgluv", by reason of the

prior registration in the present respondent's name of the trade mark "Shuglov" and of the similarity of the two trade marks and of the wares in respect of which they have been registered and used;

the registration No. 258/55426 of the mark "Shuglov" accurately defines the existing rights of the respondent, which has made substantial use of the said mark, principally in the United States, on wares of the kind described in the registration;

the trade mark "Shuglov" has never been abandoned;

the footwear upon which the trade mark "Shuglov" has been used has been principally composed of rubber, but the said footwear is intended to simulate and does simulate in appearance footwear made of other materials, as appears from advertisements of the said footwear published from time to time by the respondent, between the years 1932 and the imposition of war restrictions on the use of rubber, in the magazines "Esquire", "Good Housekeeping", "Harper's Bazaar", "Vogue", "Woman's Home Companion", "Ladies' Home Journal" and "Life", each of which has a substantial circulation in Canada; the average expenditure by respondent on advertisements in the said magazines between the years 1932 and 1940 was about \$22,000 annually;

footwear principally composed of rubber for trade mark purposes is similar to footwear of other materials such as leather, canvas and the like;

the respondent therefore prays that this action may be dismissed with costs.

A brief review of the evidence seems to me apposite. I may note that the present case was joined for proof and hearing to that of The B. F. Goodrich Company and J. A. & M. Côté Limitée, No. 21010, it being agreed by counsel that the evidence would enure to both.

[Here the learned judge reviews the evidence and proceeds]:

The facts are simple and may concisely be summed up as follows:

On October 8, 1932, The B. F. Goodrich Company, a corporation of the State of New York, one of the United States of America, having its principal office in the City

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of New York, obtained under the Trade Mark and Design Act the registration of a trade mark consisting of the word "Shuglov" for use on "footwear, particularly rubber boots and shoes and rubber overshoes". A duly certified copy thereof was produced. The register under the said Act forms part of the register kept under the Unfair Competition Act, in accordance with subsection (1) of section 23 of the latter Act, which provides:

The register now existing under the Trade Mark and Design Act shall form part of the register maintained pursuant to this Act, and, subject as hereinafter provided, all entries therein shall hereafter be governed by the provisions of this Act, but shall not, if properly made under the law in force at the time they were made, be subject to be expunged or amended only because they might not properly have been made hereunder.

On May 8, 1942, J. A. & M. Côté Limitée, a corporation organized and existing under the laws of the Dominion of Canada having its head office and principal place of business in the city of St. Hyacinthe, in the Province of Quebec, obtained under the Unfair Competition Act, 1932, the registration of a trade mark consisting of the word "Footgluv", in respect of "footwear in the form of boots and shoes". A duly certified copy thereof was produced.

From an entry on the back of the certificate it appears that the record of registration was on July 11, 1945, amended, in accordance with section 42 of the Act, by deleting therefrom the words "footwear in the form of" and substituting therefor the word "leather".

By his action the applicant, as already stated, seeks to have an order striking out from the register No. 258, folio 55426, the entry, bearing date October 8, 1932, relating to the registration of the trade mark "Shuglov".

Section 45 of the Trade Mark and Design Act enacts (*inter alia*):

The Exchequer Court of Canada may, on the information of the Attorney General, or at the suit of any person aggrieved by any omission without sufficient cause, to make any entry in the register of trade marks or in the register of industrial designs, or by any entry made without sufficient cause in any such register, make such order for making, expunging or varying any entry in any such register as the Court thinks fit; or the Court may refuse the application

2. In either case, the Court may make such order with respect to the costs of the proceedings as the Court thinks fit.

I may note incidentally that section 52 of the Unfair Competition Act contains a provision to the same effect, although differently worded; it reads thus:

(1) The Exchequer Court of Canada shall have jurisdiction, on the application of the Registrar or of any person interested, to order that any entry in the register be struck out or amended on the ground that at the date of such application the entry as it appears on the register does not accurately express or define the existing rights of the person appearing to be the registered owner of the mark.

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It was submitted on behalf of applicant that, under the Trade Mark and Design Act, one can only obtain the registration of a mark which has already been used. This submission seems to me well founded. It is the adoption of a trade mark and its use which create a right of ownership therein and the registration merely confirms the title: *Partlo et al v. Todd* (1); *Smith v. Fair* (2); *Groff v. The Snow Drift Baking Powder Company* (3); *in re "Vulcan" Trade Mark* (4); *The Bayer Company Limited v. American Druggists' Syndicate Limited* (5); *United States Steel Products Company v. Pittsburg Perfect Fence Co.* (6); *Gold Medal Furniture Manufacturing Company Limited v. Gold Medal Camp Manufacturing Company* (7); *Robert Crean and Company Limited v. Dobbs & Company* (8); *The Gottfried Company v. The Comfort Kimona and Dress Manufacturing Company* (9). It was incumbent on the respondent to prove sales or advertisements made or published in Canada, as the case may be.

It was argued on behalf of applicant that, if the mark "Shuglov" belonged to some one, it did not belong to the respondent, because the latter had never used it nor made it known in Canada prior to October 8, 1932, date of registration of the trade mark. According to Martin's testimony it was either Hood Rubber Company or Goodrich Footwear Corporation which owned the mark. In the advertisements we find the words "Shuglov by Goodrich" and "B. F. Goodrich Footwear Division, Watertown, Mass." or "Goodrich Footwear, Watertown, Mass." On the samples exhibits 4 and B appear the words "Shuglov—by Goodrich, made in U.S. of America". At the bottom of the tag

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| (1) (1888) 17 S.C.R. 196. | (6) (1917) 19 Ex.C.R. 474 at 483. |
| (2) (1888) 14 O.R. 729. | (7) (1928) Ex.C.R. 65. |
| (3) (1889) 2 Ex.C.R. 568. | (8) (1930) S.C.R. 307, 317. |
| (4) (1915) Ex.C.R. 265; | (9) 8 Fox Pat. C., 111, 119; |
| (1915) 51 S.C.R. 411, at 420. | (1948) Ex.C.R. 611. |
| (5) (1924) S.C.R. 558 at 569. | |

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exhibit C are inscribed: "B. F. Goodrich Corp.,—Watertown, Mass." One must not overlook the fact that in its statement of claim the applicant, B. F. Goodrich Company, is described as a corporation of the State of New York, one of the United States of America, having its principal office in the City and State of New York. If there are relations between B. F. Goodrich Company, Goodrich Footwear Corporation and Hood Rubber Company they have not been disclosed. Even if there were, I believe that these companies are distinct entities: *Robert Crean & Company Limited v. Dobbs & Company* (1); *Bowden Wire Limited v. Bowden Brake Company* (2).

After reviewing and annotating the evidence and perusing the exhaustive argument of counsel, the law and the precedents, I have reached the conclusion that the trade mark registration "Shuglov" in Trade Mark Register No. 258/55426, appearing in the name of the respondent, should be expunged and struck out from the register. The applicant will be entitled to its costs against respondent.

Judgment accordingly.