

BETWEEN:

1924
Nov. 27.

HENRY K. WAMPOLE & COMPANY, }
LIMITED } PLAINTIFF;

AND

HENRY S. WAMPOLE & COMPANY }
AND FRANK W. HORNER..... } DEFENDANTS.

Trade-Marks—Personal name—Company—Prohibited user.

Held: That the name "Wampole's" having acquired a secondary meaning, was properly registered as a trade-mark and could not be used as such by any other person or company, without the latter clearly distinguishing their goods from those of the owner of the trade-mark.

2. That the distinction between permissible and prohibited user is to be decided upon the special circumstances and facts of each case.
3. That although any person may use his own name for purposes of his trade, and that no one bearing a similar name can arrogate to himself the exclusive use thereof, still he cannot so use it to deceive the public to induce purchasers to buy his wares for those of another.
4. That a company with a name of which a personal name forms a part has not the same natural right as the individual born with such name to trade under it, particularly when there is a possibility of confusion between it and the name of an old established company.
5. That moreover a company cannot, under cover of its name, use the same to justify or excuse an overt act or course of conduct plainly indicative of an unfair and disloyal effort to pass off its goods for those of another.
6. That the court, in deciding whether there is infringement or not, will consider the impression produced by the mark as a whole, and it is not necessary to constitute infringement that the mark used corresponds in all respects to that of another person, and which such person has the exclusive right to use.

ACTION for alleged infringement of trade-mark WAMPOLE'S and counter-claim to expunge same.

Ottawa, October the 2nd, 1924, and following days.

Case now heard before the Honourable Mr. Justice Audette.

R. S. Smart, Louis Cote and H. A. O'Donnell for plaintiff;

E. G. Place and J. T. Hackett for defendants.

The facts are stated in the reasons for judgment.

AUDETTE J., now this 27th November, 1924, delivered judgment.

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This is a case of an alleged infringement of a specific trade-mark.

to be applied to the sale of chemical, medicinal, pharmaceutical and toilet preparations, and druggists' supplies and sundries, and confectionery, and which consists of the word

WAMPOLE'S

registered in Canada, on the 17th September, 1913, under an order of this court of the 3rd September, 1913, as having obtained a secondary or trade-mark meaning through long and continuous user—a ground which has been greatly amplified and corroborated at the trial of the present action.

By the statement of claim the usual injunction is sought as against the alleged infringer and the defendant, Henry S. Wampole & Company, both by his statement in defence and his counter-claim, denies infringement, contends he has a right to use the word "Wampole" as his family name and concludes by asking that the plaintiff's trade-mark be expunged.

[His Lordship here discusses the issue with defendant Horner, and dismissed the action as to him. He also reviews plaintiff's title to the trade-mark "Wampole," and finds there has been continuous use thereof by plaintiff or his predecessors, and that plaintiff is the owner thereof.]

Having said so much I may add that the judgment of this court allowing the registration of the word "Wampole" in Canada upon the well known principle of secondary meaning acquired by long user, must remain in full force and effect. A judgment of a court of competent jurisdiction is an asset in the hands of the parties in whose favour it is rendered, and cannot be lightly interfered with. Moreover, the evidence adduced in this case has added a great deal in support of the contention that the word "Wampole" has acquired a secondary meaning, a trade-mark meaning by long continuous user in Canada, a question which will be hereinafter referred to.

The infringements complained of occurred around August and September, 1923, when for a short time the defendant company, Henry S. Wampole & Company, of Baltimore, entered the Canadian market under the following circumstances. Albert K. Wampole, manufacturing pharmacist under the name of Henry S. Wampole &

Company, at Baltimore, heard as a witness, says that in 1909 he and his brother Henry S. Wampole—who died on 1st June, 1921—bought out the business of Heineman-Evans Company and started business at Baltimore under the name of Henry S. Wampole & Company and that the idea of coming to Canada occurred to him when he saw an advertisement in the Standard Remedies, a drug journal of Frank W. Horner, of Montreal, and that he immediately got in touch with him for that purpose and asked him of the possibilities of doing business in Canada. A protracted correspondence started between them and they also met, at his request, in Baltimore in 1923, when Horner told him that if he did, he would encounter litigation and he wanted to be protected. They then entered into the agreement exhibit No. 21. Horner had protected himself thereby, as he had anticipated an action at law of the kind now before the court.

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It is well at this stage to refer to part of that correspondence to endeavour to size up the atmosphere in which the defendant company was manoeuvring. Was that question of doing business in Canada approached with the intention of setting up a fair or an unfair competition to the Canadian dealer?

By exhibit No. 14 Horner is asked to furnish the plaintiff's prices and manner of dealing with the trade and also to send "a full package of the plaintiff's preparation, such as he is putting on the market to-day" and if he is manufacturing a small size. Then in exhibit No. 18 Wampole discusses the relative proportions of strychnine in the American and Canadian preparation and he says:

I believe that we should use the same amount of strychnine in our preparation as our competitor uses in his preparation.

The same question is again discussed in his letter, Exhibit No. 19, and his idea is that if there is the same amount of strychnine, the purchaser

buying our preparation could readily see that our preparation contained the same amount of strychnine as our competitor's product and would therefore not think that our preparation was not the same as theirs.

But this change in strychnine was afterwards abandoned. Then in exhibit No. 20 the question of the label is discussed. He wants a label in French and one in English

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alike the plaintiff's. See also exhibits 16, 24, 27, 28, 29 and 49. Then in exhibit No. 26 he says that his attorney believes that we have a very good case and does not think for one minute that they can stop us, as long as we have absolutely refrained from using the name "Wampole."

However, I may add—as was said in the *Boston Rubber Shoe Case* (1)—it is not necessary to find fraud or fraudulent intent in order to grant relief in a case of this kind.

What the defendant is especially anxious to introduce in Canada is his *palatable preparation of the extract of Cod Liver Oil* similar to exhibit No. 9, much alike exhibit No. 13, the plaintiff's best seller (as mentioned at trial) among his numerous preparations, that is his tasteless preparation of an Extract of Cod Liver so well known in Canada as disclosed by the evidence. The plaintiff's mark has his trade-mark *Wampole's* printed across the top in large type. The defendant's, exhibit No. 9, has also the word "Wampole's" printed across in large type; but it is preceded—if it means anything—by *Henry S.* the letter *S.* being in larger type. The christian name *Henry* is retained in full at top of No. 9. It is a name common to both firms and could or might help in selling one for the other. What strikes the eye, in looking at both together is obviously *Wampole's Extract Cod Liver Oil* and that is what the purchaser is looking for.

The public do not know the difference between the letters *S* and *K*; it is the word *Wampole* that catches their eye and determines their act.

Witnesses Whebby, Griffin, Carnaham and the defendant Horner are all of opinion that the words *Original and Genuine* associated with the words *Henry S. Wampole* on defendant's exhibit No. 9, could only mean, in Canada, the plaintiff's goods from Perth. The average person, the average public and the purchaser would not observe the christian name or initials, and if they did the name *Henry*, a name common to both companies—would determine the final conviction. Therefore confusion would be created in the trade. And as for the red lines at the bottom, the general public will not read that; they will be satisfied with the word *Wampole's*.

The defendant's circular letter advertising his business in Canada was received by the trade with a mixed understanding, and resulted in misunderstandings and in the sending of a number of letters to the plaintiff, which all speak for themselves. See exhibits "A," "B" and No. 40. The plaintiff's prices had been supplied by Horner and the defendant establishes his prices just a little lower.

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There seems to have been extant, *in esse*, all through, a want of frankness in the manner in which the defendant chose to come on the Canadian market. Why did he not state in his circular letter he had been carrying on business in the States, selling his father's preparation, and that he was going to sell in Canada, boosting his preparation, if he cared? Then why not select a package entirely different from that of the plaintiff. Display his name in a different manner—and when I say his name I mean either his firm name or his own—the president's, not the name of his brother who died in 1921. Exhibit No. 9, at the top, the most striking place, displays neither the name of the firm, nor the name of the president or any living member of the defendant company. Why not select a package of a colour strikingly different from the plaintiff's so that no mistake could occur? Any change appealing to the eye would have been both welcome and significant.

[His Lordship here reviews the opinion evidence offered and concludes.]

It would result from this review of the evidence that the overwhelming majority of the witnesses, with whom I concur, is of opinion that exhibits 9 and 13 could be confused and might be taken one for the other, and that by a long user, in Canada, the word or trade-mark *Wampole's* has acquired a secondary meaning,—a meaning which by itself distinguishes the goods sold by the plaintiff from all goods sold by any other trader. The word *Wampole's* to the buying public in Canada has a special and distinctive meaning when used in connection with these medicinal commodities.

There is, it is true, some conflict in the opinion expressed on behalf of the witnesses of both parties, but the conflict seems to be fairly explained by the fact that it is perhaps the ally of sympathy or prejudice, because it would seem too magnanimous to call it only erroneous.

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The defendant argues that there is not a person by the name of Wampole in the plaintiff's firm, while the defendant company has shareholders by that name. The answer to this is, as I have already said, the plaintiff is the owner of the trade-mark *Wampole* for having acquired it in due form, and moreover for having used it continually for a period of 35 years. Contending that there are no shareholders of that name in the plaintiff's company, while there are some in the defendant's company and deduct a right therefrom, is not sound argument; because a company can only be known by its corporate name, and, moreover, that the name Henry S. Wampole is the name of one who died in 1921 and that it is not the name of the defendant company, it is only a part of the same, and it is not the name of the company's president or of any of the shareholders. I fail to see any necessity for the defendant company to mark or pack its drug in a manner which may have the effect of passing off its goods for the goods of the plaintiff's; unless attracted by an undue and unfair advantage or gain.

Perhaps the distinction between permissible and prohibited user may be difficult to define, but it is in each case a question of fact. But you may not use your name to deceive the public and induce purchasers to buy your wares for those of another person. Moreover, a new company with a title of which a personal name forms part has not the same natural right as of the individual born with that name to trade under it when there is possibility of confusion with an old company, as in the present case. *Fine Cotton Spinners et al v. Harwood Cash & Co.* (1). A company cannot, under the cover of its name, use the same to justify or excuse an overt act or course of conduct plainly indicative of an unfair and disloyal effort to pass its goods for those of another person or company. By doing so that company exceeds that which it is entitled to.

The question of using one's own name as a description of an article placed on the market for sale by traders has been discussed and resolved in many cases. There, however, lies at the very foundation of that question the recognized rule of law and justice that no man can have any right to represent his goods as the goods of another

(1) [1907] 2 Ch. 184, at p. 190.

person. The defendant company, under the circumstances of the case, has the undoubted right to use its corporate name for all lawful and legitimate purposes; but it cannot exercise that right in a manner that may cause the purchasing public to believe that his goods are those of the plaintiff company. The placing of the word *Wampole's* across the top of their package, embodying thereby the plaintiff's trade-mark, and thereby copying, imitating the plaintiff's package, besides many other ways would almost certainly lead the public to believe that the defendants' goods are goods sold either by the plaintiff himself or by one of his commercial branches.

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The question of using one name—either by a person or a company, has been judicially reviewed in the fully reasoned judgment of the Supreme Court of Canada in the case of *Boston Rubber Shoe Co. v. Boston Rubber Co. of Montreal* (1). The injunction was issued in the case and yet the dissimilarity between the marks,—which are printed at p. 318—was ever so much more pronounced than in the present case. See also *Barsalou v. Darling* (2).

By 35 years of consecutive and exclusive use of the word “Wampole’s,” as applied to the sale by the plaintiff of pharmaceutical preparations, the word *Wampole's* has become in Canada a name or mark distinguishing, in the mind and eyes of the trade and public, the plaintiff's pharmaceutical goods from all other such goods sold or offered for sale in Canada. *Battle Creek Toasted Corn Flake Co. v. Kellogg Toasted Corn Flakes Co.* (3).

This surname, this word “Wampole” having acquired a secondary meaning and being protected by a registered trade-mark, cannot be used as a trade-mark by any other person or company, without the latter clearly distinguishing its goods in a manner that will clearly show to the purchasing public that its goods are not the goods of the owner of the trade-mark Wampole. This trade-mark, which has been in force for 11 years, has been registered upon grounds which have been strengthened in this present case, and is of a surname, uncommon and distinctive as in the Horlick case. *Re Horlick's Malted Milk Co.* (4); See also *Palmer*

(1) [1902] 32 S.C.R. 315 at 327
et seq.

(3) [1923] 4 D.L.R. 543 at p. 554.

(4) [1917] 35 D.L.R. 516.

(2) [1881] 9 S.C.R. 677, at p. 681.

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v. *Palmer-McLellan Shoe Pack Co.* (1); *Teofani & Co. v. A. Teofani* (2); *Barsalou v. Darling* (ubi supra); *Rodgers v. Rodgers* (3); *Thaddeus Davids Co. v. Davids Manufacturing Co.* (4); *Goddard v. Walford Co-operative Society* (5); *Re Coty* (6).

I find that the plaintiff's trade-mark is good and valid and upon this ground the counter-claim is dismissed with costs.

The essence of a trade-mark is distinctiveness and this cardinal requirement is wanting as between the two marks in question in this case.

One has to bear in mind that the danger to be guarded against in a case of infringement is that the purchaser seeing one mark by itself will think it to be the same as another which he has seen before, and that the purchaser will not see the two marks side by side so as to note the differences.

In the present case the two specific marks are used in connection with the sale of the same class of merchandise and that fact alone will greatly add to the possibility of the taking of the goods of one trader for those of another, creating confusion and, therefore, its use will become liable to deceive the public.

Moreover, the general principle to be adopted in deciding cases of infringement is to consider the impression produced by the mark as a whole. The essential characteristics of a trade-mark is the general appearances of the mark as a whole, its get-up and all of its *ensemble*. It is by the eye the buyer judges and by which, if colourable imitations are allowed, he will be deceived. And in the present case we must not overlook the similarity of the display of a similar name on a package of a similar size, with French and English literature written in a similar manner and different in that respect from the defendants' American mark. Then, again, there is this other objectionable feature of the printing on the side of the package: "Original and Genuine, Henry S. Wampole's" which has been referred to in the evidence and which I find is liable

(1) [1917] 37 D.L.R. 201.

(2) [1913] 2 Ch. 545.

(3) [1924] 41 R.P.C. 277.

(4) [1914] 233 U.S.R. 461.

(5) [1924] 41 R.P.C. 218 at 234 et seq.

(6) 14 Patent & Trade Mark Rev. 185.

to deceive among a public so well acquainted with the word "Wampole." This sentence which as I have said at trial may be part truth is not the whole truth and being so is more difficult to answer than if it were a pure and undisguised falsehood. The contents of the package may be the "original and genuine" product of Henry S. Wampole, who died in 1921, but accompanied with the already objectionable package is liable intentionally or not, to convey to the public that it is the original and genuine extract known in Canada.

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The two marks, the two packages applied to the same class of merchandise resemble one another, and to allow such similarity in trade-marks is baneful to trade and it is liable to deceive the public whose interest must be considered before the relative rights of the parties. Moreover, honesty and fair dealing must be maintained and supported in the trade, while disloyal and unfair competition discouraged and condemned. *Congoleum Co. v. Canadian Linoleums, etc.* (1).

Now the world is wide, said once Lord Bowen in a trade-mark case, and there are so many names, there are so many designs, that there really is no excuse to imitate another trader's mark dealing in the same class of merchandise and more especially, when the mark which is imitated belongs to a trader who by years of honest and toiling work and expenditure has built up an enviable reputation and business. Is not the natural inference in such circumstances and in the present case coupled with many questionable manoeuvres—that such a trader is seeking to take undue advantage of the other trader's standing and trade. The denial of such idea having regard to the circumstances of this case and the reading of the correspondence filed of record, is deserving of very little consideration. The defendant company cannot use its name upon its goods on the Canadian market without clearly distinguishing them from those of the plaintiff.

It is not necessary for the purpose of establishing an infringement that there has been the use of a mark in all respects corresponding with one of which another person has acquired an exclusive right to use. No infringer of trade-

(1) [1923] Ex. C.R. 182 et seq.

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mark would be such a blunderer at the work of infringing as to go and take a trade-mark exactly alike the trade-mark of a competitive trader. It is sufficient to show that the resemblance is such as to be likely to make unwary and uncautious purchasers suppose that they are purchasing an article sold by the party to whom the right to use the trade-mark belongs. See Per Lord Chelmsford in *Wotherspoon v. Currie* (1); Sebastian, *Law of Trade-Marks*, 5th ed. 151.

I have come to the conclusion that while the two marks are not absolutely identical, there is such a close imitation in the design and get-up of the defendant's mark, that the ordinary purchasers could be easily deceived and misled to buy the defendant's goods for those of the plaintiff. On the question of the defendants using their own name, I rely on what I have already said and on the case of the *Boston Rubber Shoe Co.* (ubi supra). The defendants can use their own name only in such a manner as will not lead the public into deception.

[His Lordship then concludes, declaring infringement, granting injunction, and dismissing the counter-claim, etc.]

Judgment accordingly.

Solicitors for plaintiff: *Stewart, Hope & O'Donnell.*

Solicitors for defendants: *Foster, Mann, Place, McKinnon, Hackett & Mulvena.*