

IN THE MATTER OF THE PETITION OF

1920  
March 8.UNITED CIGAR STORES, LIMITED, OF THE CITY  
OF TORONTO, IN THE PROVINCE OF ONTARIO, MANU-  
FACTURERS, (PROVINCIAL),

PETITIONER;

AND

UNITED CIGAR STORES LIMITED (DOMINION),  
ADDED PETITIONER (BY ORDER OF THE COURT);

AND

GEORGE MITCHELL MILLER,

OBJECTING PARTY,

AND

UNITED CIGAR STORES OF WINNIPEG,  
ADDED OBJECTING PARTY (BY ORDER OF THE COURT).*Trade-marks—Registration—Trade name, passing off.*

The petitioner sought to have the words "United Cigar Stores" registered as a trade-mark, and to have the same words registered in the name of the objecting party expunged. These words constituted the trading name of the petitioner and most of the trade-marks claimed by it were for particular brands of cigars. Moreover by ch. 129, 3 Geo. V., 1913, (Man.), a company was incorporated by the name of "United Cigar Stores" and the statute provides, inter alia, "that the Company may procure itself to be registered in any "Province of the Dominion of Canada and exercise its powers in "such Provinces". The petitioner claimed that the obtaining of the charter was a fraud on its rights.

Held, on the facts stated, that the petitioner was not entitled to have the words "United Cigar Stores" registered as a trade-mark.

*Quære.* Would the mere fact of a company having a corporate name similar to petitioner be a bar to any action that might be brought against it for passing off its goods as the goods of petitioner?

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THIS is a petition asking to have a certain trade-mark claimed by petitioner registered and a certain trade-mark already registered expunged from the registry.

The facts of the case are stated in the reasons for judgment.

The case was tried before the Honourable Sir Walter Cassels at Ottawa, on the 25th and 26th days of November, 1919.

*Wallace Nesbitt*, K.C., for petitioner;

*Russel Smart*, and *J. Lorne McDougall* for objecting party.

CASSELS, J. now (March 8th, 1920) delivered judgment.

The petition in this case asks that the entry in the Registry of Trade-marks, stated to be No. 45, folio 11011, for the words "United Cigar Stores" be expunged from the registry.

The petitioners also ask that the trade-mark be registered in their name for "United Cigar Stores."

They also ask that a specific trade-mark consisting of a shield whereon a red background there is displayed a representation of a Union Jack Flag and underneath in white letters upon the said red background the words "United Cigar Stores" be registered.

The case came on for trial before me—certain objections having been filed on behalf of one George Mitchell Miller.

After considerable evidence was adduced, Mr. Smart, who acted as counsel for the contestants,

asked leave to add as co-contestants an additional defendant, the party appearing as contestants not being the proper parties. No objection was raised on the part of the petitioners represented by Mr. Nesbitt, K.C., and as no harm could arise, the application of Mr. Smart to add these parties is allowed.

It later appears that the petitioners are not the proper parties to make the application. It would appear that the Ontario Company, the United Cigar Stores, Limited, have assigned all their rights including their right to the trade-mark in question, to a company incorporated by the Dominion under a similar name, namely the United Cigar Stores Limited. The contestants raise no objection to this company being added as co-petitioners, and as no harm can be occasioned to anyone, the advertisement being correct and in the name of the United Cigar Stores, Limited, I see no reason why this Dominion Company should not be added as co-petitioners.

The judgment should not issue until the additional contestants and the additional petitioners are duly added.

Mr. Smart after considerable evidence was adduced, consented to the trade-mark registered by his clients being expunged. I think he was well advised in the course he adopted, as it would be impossible to allow this trade-mark to remain upon the registry, and an order to this effect will issue.

No objection has been raised to the registration of the specific trade-mark by the petitioners, which I have previously referred to, and an order may go in the usual form allowing the petitioners to register the specific trade-mark.

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I cannot allow the petitioners to register as a trade-mark the words "United Cigar Stores". There are a great many objections to such registration. It is really the trading name of the company, and the evidence would indicate that most of the trade-marks which are claimed by the petitioners are for particular brands of cigars. An additional reason is that by a statute of Manitoba, assented to on the 15th February, 1913, a company is incorporated by the name of United Cigar Stores. (Ch. 129, 3 Geo. V., 1913).

The 26th section of this statute provides: "The "head office of the company shall be in the City of "Winnipeg, in the Province of Manitoba, and the "company may procure itself to be registered in any "Province of the Dominion of Canada, and exercise "its powers in such Provinces."

It is argued by Mr. Nesbitt that the obtaining of this charter is a fraud on the rights of his client.

As I pointed out, the Exchequer Court has no jurisdiction in passing off cases, nor can I assume that there was an impropriety in the obtaining of this Act of the Manitoba Legislature. Any remedy to get rid of this charter will have to be taken in a different form of action. The mere fact of the company having a corporate name may not be a bar to any action that might be brought if this company were passing off their goods as the goods of the petitioners. On this question I refrain from giving any opinion, as the matter is not one before me. I refer Counsel, however, to the case of the *Boston Rubber Shoe Co., v. The Boston Rubber Co., of Montreal*,<sup>1</sup> and also

<sup>1</sup> (1902), 32 Can. S. C. R. 315.

to a late case along the same lines, in the Court of Appeal in England, *Ewing v. Buttercup Margarine Co., Ltd.*<sup>1</sup>

As the success of the application is about equally divided, there will be no costs to either party.

Solicitors for petitioner: *McCarthy, Osler, Hoskin & Harcourt.*

Solicitors for objecting party: *Fetherstonhaugh & Smart.*

<sup>1</sup> [1917] 2 Ch. 1.

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