

1922
 April 19.

IN THE MATTER OF A SPECIFIC TRADE-MARK CONSISTING OF THE WORD "WHISTLE."

BETWEEN:—

VESS JONES, OF THE CITY OF NEW YORK, IN THE STATE OF NEW YORK, U.S.A..... } PETITIONER;

AND

ALLAN S. HORTON.....OBJECTING PARTY.

Trade-Marks—Prior user—"Person aggrieved"—Sec. 42, Trade-Mark and Design Act.

Held, that it is the use of a trade-mark, and not its invention, which creates the right to its registration. In cases of conflict as to prior user the test is: Which claimant was the first to use the mark on his goods to distinguish them from others, thus giving information to the trade that such goods are his.

2. That "use" of a trade-mark within the meaning of the Trade-Mark Act must be of a public character, such use being demonstrated by the mark being related in some physical way to the goods themselves or to the wrapper or case containing the same.
3. Where a person had used a trade-mark in Canada since 1920, and elsewhere (under registration) for a much longer period, for the purpose of distinguishing his goods from those of rival traders, and another person had obtained registration of the said mark in 1921, the former is a "person aggrieved" under sec. 42 of the Trade-Mark Act by such registration in Canada and may apply to have the same expunged.

APPLICATION by petitioner to have the registration of the specific trade-mark consisting of the word "Whistle" expunged.

28th March, 1922.

Case heard before the Honourable Mr. Justice
Audette, at Toronto.

R. S. Smart and *H. G. Fox* for petitioner.

H. J. Scott K.C. for objecting party.

The facts are stated in the reasons for judgment.

AUDETTE J. now (this 19th April, 1922) delivered
judgment.

This is an application, by the petitioner, to expunge from the Canadian Register of Trade-Mark the above specific trade-mark consisting of the word "Whistle," as "applied to the sale of soft drinks" and registered in Canada on the 6th October, 1921, by the said objecting party, who resides at Windsor, Ontario.

The Court is given jurisdiction over such matters both under sec. 23 of the Exchequer Court Act and under sec. 42 of the Trade-Mark and Design Act.

It appears from the evidence that the petitioner and his predecessors in title, the Orange Whistle Company, have been manufacturing and selling a soft drink called and labelled "Whistle" since 1916 in the United States of America, and registered the same at that date, in the United States, as appears by exhibit No. 3.

The petitioner's business was started in January, 1916, inventing the drink at the same time as they invented the name or trade-mark. The petitioner organized a number of serving companies in several states, viz.: New York, Ohio, Tennessee, Alabama, Texas, Missouri, etc., and built up a large business

1922

VASS
JONES

v.

ALLAN
HORTON.Reasons for
Judgment.

Audette J.

1922

V. E. S.
JONES

v.

ALLAN
HORTON.Reasons for
Judgment.

Audette J.

after having extensively advertised at great expense. In 1920, the petitioner's sales in the United States and Canada amounted to \$9,000,000. In the same year he spent for advertising in Detroit, across from Windsor, the objecting party's residence, between \$6,000 to \$7,000, besides what his agent Wagener spent himself.

He started developing his Canadian business by sending circulars in Canada, in 1917, receiving enquiries for samples. On the 5th February, 1920, N. Moore, the person in charge of the company in San Francisco—controlled by the petitioner—booked Messrs. Cross & Co. for shipping and did actually ship to them in March of the same year, and thereafter, as more particularly appears by exhibits Nos. 9, 10, 11, 12 and 13.

Edwin Irvine, the proprietor of the firm Cross & Co., put up a plant, manufactured and bottled "Whistle" in Vancouver, Canada, since March, 1920—buying the sirup from the petitioner who always kept control, the product being sold in Canada under the name of "Whistle," with the orange and blue label with the word "Whistle" across it.

The petitioner's business in Canada last year amounted to \$12,000, of which \$10,000 represents the Vancouver business. He has two serving factories in Canada.

Albert Brown, of Montreal, manager of the Caledonia Spring business, heard of this "Whistle" on the 12th March, 1919, and saw it advertised in the Bottler's Gazette, and wrote for sample in 1919, as per exhibit No. 7, and as a result received sample exhibit No. 8.

Witness Wagener began manufacturing Whistle at Detroit, U.S.A., in 1918, under arrangement with the petitioner. He met Horton, the objecting party, five or six years ago and then again at his plant, in Detroit, in August 1921, when he informed him (Wagener) he was perfecting something to take place of "Whistle."

Horton paid Wagener another visit later on requesting a sample of "tin sign of Whistle" which Wagener gave him.

Part of Horton's examination on discovery was read at trial. I will refer to it hereafter.

At the conclusion of the petitioner's case in chief, counsel at bar for the objecting party moved for judgment by way of non-suit, upon the ground among others, that the petitioner was not a person aggrieved under sec. 42 of the Trade-Mark and Design Act; and that therefore the court had no jurisdiction and that the Vancouver firm were receiving their goods from the San Francisco Company and not from the suppliant. This motion was continued to the merits and evidence was then adduced on behalf of the objecting party.

It is conclusively established from Horton's examination on discovery that prior to June, 1921, he did not have any printed label or matter upon which the word "Whistle" appeared. He never used a label with the word "Whistle" prior to 1921.

At page 5 of the discovery evidence, Horton states he had his label printed last year under the following circumstances. The Jones Company, who printed the label, did not obtain the *design* for the label. Richardson, a travelling salesman for the Wright Lithographing Company, "obtained the design for me." (p. 6.) "He said he could get me one so he went over the river—I guess from Wagener over there who was bottling Whistle on the other side.

"Q. He got a copy of the label that Mr. Wagener was using? A. Yes, sir.

"Q. And he gave it to your lithographers? A. No, he gave it to me.

"Q. Gave it to you? A. Yes.

1922

VESS
JONES
v.
ALLAN
HORTON.

Reasons for
Judgment.

Audette J.

1922

VESS
JONES

v.

ALLAN
HORTON.Reasons for
Judgment.

Audette J.

“Q. And you gave it to the Jones Lithographing Company? A. They both figured on it, yes.

“Q. And the Jones Lithographing Company made your labels from it? A. I told him I didn't know where—I knew at that time there was one over there, but not before—no; let's see—I told him I didn't know at that time that this place had a patent on Whistle over there—that they had no right to have that Whistle, and I took the label and made the insertion of the girl's head, or the boy's head, with the hand to his ear.

“Q. You took the label, and—. A. We will admit that this is a copy of the label that they use on the other side.

“Q. I just want to get this: You took the label that you got from the Whistle Company of Detroit and you asked your lithographer to copy it and to add a little boy's head to it? A. I told him to make me a label up with the orange and the Whistle—I wasn't sure whether it was going to be the same colour as that. I told him the shape of the label, that is, the same shape as my dry ginger ale label.

“Q. I show you a label here which I am advised is the one used by the petitioner, and ask you if you recognize that as being like the label which you obtained in Detroit

(Exhibit No. 2).

“A. The label I had didn't have this bottom 'Minimum contents 6 fluid ounces,' on it; and it wasn't exactly quite the same colour.

“Q. But apart from that, if you rubbed these few words out—? A. It wasn't exactly the same colour. It seemed to be more of a darker orange.

“Q. But the design was the same? A. The design was practically the same as that.

"Q. Looking at Exhibits 1 and 2, you would say that your lithographers had made a good copy? A. No. I don't see that there's any copy to it.

"Q. No copy? A. No; if it was an orange it would be that colour.

"Q. But I mean apart from the colour, that the design is a good copy? A. We will admit that the label is—the lithographer took it to get an idea of what I wanted.

"Q. And he copied it exactly, didn't he? A. No, I can't say that he copied it exactly. There is a girl whistling to the boy, where the other is just a girl whistling.

"Q. But apart from the little boy's head, he copied it exactly? A. No, it is a different coloured label.

"Q. I am speaking of the design now. A. The design is the boy listening to the girl whistling, I should judge.

"Q. But the whole diamond-shaped label, with the arrangement—. A. They are not diamond-shaped labels * * *.

"Q. These labels speak for themselves, if you will refresh your memory from them it will make the record clearer. Will you admit what is the same on each? A. One is a light orange colour, the other is dark.

"Q. But as far as the design, the letter-press, goes, it is the same? A. So far as the letter-press, yes.

"Q. Have you noticed that the labels run in slightly different shapes according to the ink used? A. Mine don't—not if they are done by good lithographers they don't".

Then in December Horton procured from Wagener a tin sign with the words "Thirsty? Whistle," and changed it for his use into "Thirsty? Drink Whistle." He contends he had this formula completed four years ago.

1922

VESS
JONES

v.

ALLAN
HORTON.Reasons for
Judgment.

Audette J.

1922

V. E. S.
JONESv.
ALLAN
HORTON.Reasons for
Judgment.

Audette J.

Now coming to the evidence at trial adduced after the petitioner's evidence disclosed when they started business, Horton testifies he invented that drink as far back as the fall of 1911, that he made and sold that drink from 1911, under the name of "Whistle"—but he adds he did not use any label until June 1921.

Arthur Bangle, a pool-room and soft drinks dealer at Windsor, who has been in the pool-room business for three years and sixteen years in the grocery business, testified he was Horton's customer for about 10 years, and that about 9 years ago he bought from him a soft drink under the name of "Whistle," but that it was not a known drink at the time.

Archibald Lewis, employee in a cafeteria at Windsor, testified that from 1918 to 1920 he bought soft drinks from Horton, under the name of "Whistle," because he told him so.

John E. Hanlan, of Windsor, when at the base ball park, bought from Horton, between 1912 to 1915, soft drinks which the latter told him it was "Whistle."

Then in rebuttal, Albert E. Segner, of Windsor, who worked for Horton in 1912 or 1913, up to 1915, when he went in the army from 1915 to 1919 and worked again for a short time for Horton both in 1919 and 1920, testified he had knowledge of every drink bottled by Horton and that during the time he worked for Horton, he never heard of any drink called "Whistle." He was discharged by Horton in 1915. The liquor was in the mixing room and he says he knew what he was bottling.

Again, Charles Wickens, of Windsor, testified he worked for Horton during 1917, 1918, 1920 and a short time in 1921. He says he knew what he was

bottling and that in the year 1917, 1918 and 1920 he never heard of a drink called "Whistle", but that he did hear of such a drink in July and August, 1921.

The evidence respecting the time at which the sale of this soft drink, under the name of "Whistle," was made by Horton is unsatisfactory and conflicting and, in the view I take of the case, it has nothing to do with the question of law involved in the controversy and further I do not deem it necessary to pass upon the declaration accompanying the application for the trade-mark. However, as the trial judge, having had the advantage of seeing the witnesses, observing their demeanor, and the manner in which the testimony was given, and taking into consideration all the surrounding circumstances of the trial, the probabilities and improbabilities, I feel in duty bound to declare that I do not rely on that part of the evidence tending to show that such soft drinks were sold by Horton, under the name "Whistle" as far back as 1911. No reliability should be placed upon such evidence.

Indeed, it is the use of a trade-mark, and not its invention, that creates the right, Paul on Trade-Marks, 153 sec. 92. Paul on Trade-Marks, adds further, at p. 148: "The test in all cases of conflict as to priority of adoption is, which claimant was first to so use the mark as to fix in the market a conviction that goods so marked had their origin with him." See also *Candee, Swan & Co. v. Derre & Co.* (1). The applicant for the registration of a trade-mark in Canada must be the proprietor of the mark, and the evidence in the present case discloses pretty well how the design was conceived and made up—that is long after the petitioner was using it in Canada. The

1922

VESS
JONES

v.

ALLAN
HORTON.Reasons for
Judgment.

Audette J.

(1) [1870] 54 Ill. 439.

1922

V. E. S.
JONES

v.

ALLAN
HORTON.Reasons for
Judgment.

Audette J.

colourable distinction in copying the mark obtained in Detroit clearly disclosed the intention of the applicant. *The Vulcan* (1); *Partlo v. Todd* (2); *The Standard Ideal Co. v. Standard Sanitary Mfg. Co.* (3).

“No right can be absolute in a name as a name merely. It is only when that name is printed or stamped upon a particular label or jar and thus becomes identified with a particular style and quality of goods, that it becomes a trade-mark.” *Rowley v. Houghton* (3a). See also *McAndrew v. Bassett* (4).

And again, Sebastian, 5th ed., p. 62, says: “The expression ‘used as a trade-mark’ was much considered in the case of *Richards v. Butcher* (5), where Kay J. said that ‘user as a trade-mark’ means, not what the person who uses has in his own mind about it, not what he has registered in a foreign country, but what the public would understand, when the trade-mark or so called trade-mark is impressed upon the goods, or upon some wrapper or case containing the goods, to be the trade-mark. That is the trade-mark proper; and ‘user as a trade-mark’ means and must necessarily mean, the impressing of those words either upon the goods, or upon some wrapper or case containing the goods, in such a way that the public would necessarily understand those words to be, and alone to be, the trade-mark of the person who uses them.” See also Kerly, 4th ed., pp. 32, 34, 35, 227, 228.

It is not necessary that the applicant for registration should be the inventor of the word applied for. *Lino-type Co.’s application* (6).

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| (1) [1914] 15 Ex.C.R. 265; 51 S. C.R. 411. | (3a) 2 Brewster, (Penn. Rep.) 304. |
| (2) [1888] 17 S.C.R. 196. | (4) [1864] 4 DeG. J. & S. 380. |
| (3) [1910] 27 T.L.R. 63. | (5) [1891] 2 Ch. D. 522. |
| | (6) [1900] 2 Ch. D. 238. |

The petitioner has shewn a prior bona fide appropriation of the word "Whistle" as a trade-mark, supplemented by a continuous use in the United States since 1916 and in Canada since March 1920, long before Horton either built up his design from the petitioner's design procured at Detroit and also long before June 1921, when Horton first used it.

I may casually add, in answer to the contention raised at bar that the petitioner is not "a person aggrieved," as contemplated by sec. 42 of the Trade-Mark Act that I cannot agree with that view taking that he is absolutely within the purview of the Act. The petitioner has been using his trade-mark in Canada since 1920 and in the United States since 1916, to distinguish his goods from those of other rival traders and if the Canadian registration remains against his prior user he will be deprived of the just use of his bona fide trade-mark in Canada. Under such circumstances I take it the petitioner is a person aggrieved and the Court should exercise in his favour the statutory discretion provided by sec. 42 of the Act. In support of that conclusion I would cite *In re Vulcan* (1); *Baker v. Rawson* (2); *The Autosales Gum & Chocolate Company* (3); *Batt & Co's Trade-Mark* (4); *Powell v. the Birmingham Vinegar Brewery Co. Ltd.* (5); *In re Apollinaris Company's Trade-Mark* (6).

Therefore, for the reasons above mentioned, I have come to the conclusion that the petitioner is the proprietor of the trade-mark "Whistle," and that he has acquired the right to the same in Canada by first

1922
 VESS
 JONES
 v.
 ALLAN
 HORTON.
 Reasons for
 Judgment.
 Audette J.

(1) [1914] 51 S.C.R. 411 and cases therein cited.

(2) [1891] 8 R.P.C. 89 at p. 98.

(3) [1913] 14 Ex. C.R. 302.

(4) [1898] 2 Ch. D. 432, 441.

(5) [1894] A.C. 8.

(6) [1891] 2 Ch. D. 186.

1922

V. E. S.
JONES

v.

ALLAN
HORTON.Reasons for
Judgment.

Audette J.

user thereof in Vancouver ever since March 1920, while the objecting party used such a mark or design in Canada only sometime in June 1921. It is not necessary, as suggested, that the use of the word "Whistle" in Canada, prior to 1921, should have been made at Windsor itself. Paul, on Trade-Marks, at p. 149, says: "The mere fact, however, that an established trade-mark is not at the time in use in a particular locality, gives no one the right to appropriate it. If a manufacturer or vendor could secure a claim to a trade-mark on the ground alone that it was not in use, prior to the time when he adopted it, in the special locality in which he proposed to use it, the law for the protection of trade-marks would be shorn of most of its strength, for, on the same principle, other persons would be at liberty to adopt it in any locality in which it happened at the time not to be in use."

"The world is wide," said Lord Justice Bowen, in a trade-mark case (*Harper & Co. v. Wright & Co.* (1) "and there are many names * * * . There is really no excuse for imitation, etc." The argument of undesigned coincidence in the present case is one not commending itself or deserving of respect in view of all the circumstances disclosed in the evidence. The petitioner has extensively advertised, has built up a large business under the name "Whistle" and he is entitled to protection.

It is unnecessary to give any opinion upon what as yet is a moot question as to whether—taking into consideration that Canada and the United States are adjoining and neighbouring countries—a Canadian citizen would have the right, with impunity, to approp-

(1) [1895] 2 Ch. 593.

riate an American registered trade-mark extensively used in the United States for many years and register it as his own in Canada; and furthermore whether the American owner having for a long period neglected to register in Canada, did not lose, by such laches, his right to so register.

1922
 VESS
 JONES
 v.
 ALLAN
 HORTON.

**Reasons for
 Judgment.**

 Audette J.

There will be judgment ordering the expunging from the entry in the Canadian Trade-Mark Register of the Specific Trade-Mark "Whistle," under No. 128, Folio 29460, in accordance with the Trade-Mark and Design Act. The whole with costs against the objecting party.

Judgment accordingly.

Solicitors for petitioner: *Fetherstonhaugh & Co.*

Solicitors for objecting party: *Fleming, Drake & Foster.*
