1934

Apr. 20.
May 3.

BETWEEN:

CONTINENTAL OIL COMPANY.... APPLICANT;

AND

COMMISSIONER OF PATENTS.... RESPONDENT.

Unfair Competition Act—Conflicting applications to register trade-mark—"Motorine"—"Motorene"—Mandamus—Exchequer Court Act—Jurisdiction—Exchequer Court Rules—Procedure.

Held: That an application for a mandamus requiring the Commissioner of Patents, as Registrar under the Unfair Competition Act, 22-23 Geo. V, c. 38, to determine whether an application to register a trade-mark

should be allowed, is a substantive proceeding, and not an interlocutory matter.

2. That such a proceeding should be instituted by statement of claim and not by an originating notice of motion.

3. That a mandamus will not be granted where a specific remedy is provided as by s 30 (*c*) of the Exchequer Court Act, R.S.C. 1927, c. 34, and the rules made thereunder.

APPLICATION by the Continental Oil Company for the registration of the trade-mark "Motorine" for use in association with oils and greases.

The application was heard by the Honourable Mr. Justice Maclean, President of the Court, at Ottawa.

O. M. Biggar, K.C., and *M. B. Gordon* for the applicant.

E. G. Gowling for the respondent.

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

THE PRESIDENT, now (May 3, 1934) delivered the following judgment:

This is a motion made on behalf of the Continental Oil Company for an order requiring the Commissioner of Patents, as Registrar under The Unfair Competition Act, 1932, to determine whether an application of this company to register as a trade-mark the word "Motorine", for use in association with oils and greases, should be allowed having regard only to the state of the register at the date of such application, and the motion seeks direction from the Court that the Registrar dispose of the application on the basis only of the state of the register on the date of such application. I would point out that the motion, in effect one for a mandamus, not only seeks an order compelling the Registrar to determine whether the application of the Continental Oil Company should be allowed, but that that determination be reached in a particular way, that is to say, the Registrar must look only at the register as of the date of the application of the Continental Oil Company, and that he must disregard any conflicting applications received after the date of such application and before the same has been disposed of. The matter involved in this motion, for several reasons, is of considerable importance and by no means free from difficulties.

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Before I proceed further I had better state the important facts disclosed upon the motion. They are as follows: The Continental Oil Company, a United States corporation, applied on the 11th day of January, 1933, for registration of the word mark "Motorine" under the Unfair Competition Act, 1932, for use in association with the sale generally of oils and greases. The applicant had used the said mark in Canada only since the 17th day of December, 1932. On February 28th, 1933, The British American Oil Company Ltd., a Canadian corporation, applied for registration of the word mark "Motorene" in association with what the applicant describes as lubricating oils, and in this connection the applicant had used this word mark in Canada since the 1st of February, 1911.

The application of the Continental Oil Company was not disposed of before the application of The British American Oil Company was received, and accordingly on the 28th day of February, 1933, the Registrar had before him two applications for registration of practically the same word mark. The only distinction between the two words, it will be seen, is the use of the letter *i* in the one case, and the letter *e* in the other case. It would appear therefore that if either word mark is registerable only one of them should be allowed eventually. The Registrar has so far declined to make a decision in respect of The Continental Oil Company's application and on February 28, 1933, he addressed a communication to this applicant in the following terms:

> A conflicting application consisting of the word "Motorine" as applied to the sale of lubricating oils, was filed in this office on February 28, 1933, by The British American Oil Co. Ltd., Toronto, Ont. No further action can be taken on either of these conflicting applications until the rights of the different applicants have been determined either by mutual agreement or a court of competent jurisdiction.

A similar communication was addressed, on the same date, to The British American Oil Company. I do not think these communications can be treated as a refusal of either application within the meaning of sec. 51 of the Unfair Competition Act, and I do not think they were intended as such.

I do not think this is a proceeding to be initiated by a notice of motion. The jurisdiction to entertain the subject matter is sec. 30 (*c*) of the Exchequer Court Act which reads this: "The Exchequer Court shall have and possess

concurrent original jurisdiction (*c*) in all cases in which demand is made or relief sought against any officer of the Crown for anything done or omitted to be done in the performance of his duty as such officer". Rule 6 (3) of the Exchequer Court Rules is, I think, applicable here and it requires that the proceeding should be instituted by filing a statement of claim. While this point was not raised by Mr. Gowling, counsel for the Registrar, yet, in the facts developed here, it seems to me that this is a proceeding which should be launched by a statement of claim as prescribed by the Rules; it is essentially a substantive proceeding, and not an interlocutory matter. The Unfair Competition Act authorizes a proceeding by an originating notice of motion, but only in the case where it is sought to amend the register. Further, I am doubtful if a sufficient foundation has been laid for the remedy sought to be enforced by this motion. There should be shown by evidence a distinct demand of that which the party seeking a mandamus desires to enforce, and that such a demand was met by a refusal. See 7 C.E.D. at page 119. Any proceeding of this nature should, I think, be preceded by a notice demanding that the Registrar do the thing which the motion seeks to make him do, and I am not satisfied this has been done. It appears plain that the motion seeks to have determined that the Registrar cannot look at the second application, that of the British American Oil Company, and that at once involves the true construction of several of the provisions of the Act relevant here. The Registrar has evidently looked at and considered the second application and because of that he has decided to do nothing; and having looked at and considered the second application I can quite understand his embarrassment in attempting to construe the provisions of the Act which apparently bear upon the controversy. Then, it is not the general practice for the courts to grant a mandamus where a specific remedy is provided to enable justice to be done, such as provided by sec. 30 (*c*) of the Exchequer Court Act and the rules made thereunder, which I have already mentioned. In any event, I do not quite see how the court could well compel by mandamus the performance of a specific duty by a public officer unless it was perfectly clear what that duty was. And that is not clear in this case.

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The whole point involved in this motion is whether under the Act, the Registrar may or may not take cognizance of the application of the British American Oil Company, or whether he should consider only the first application, and that, only upon the state of the register on the date of that application. That is a question of the construction of the statute which is by no means easy or free from very substantial difficulties, and therefore I think that the rule which I have already mentioned should be strictly followed. The matter is too important to be disposed upon motion, and I should hope that there was some way by which the respective claims of both applicants to registration might be heard in the same proceeding. I think the point really at issue is important and offers fair ground for divergent views and should not be disposed upon motion.

However, I think I might with propriety express my opinion regarding the action taken by the Registrar in respect of the application of the Continental Oil Company, but without expressing any opinion upon the statutory grounds advanced in support of the motion by Mr. Biggar, or those advanced against it by Mr. Gowling. It would seem desirable, I think, that the construction placed upon certain provisions of the Act by Mr. Biggar, and the construction urged by Mr. Gowling on the same and other provisions of the Act, should come before the court in some form or other, and, I think, this might more satisfactorily be done by way of an appeal under the Act if the Registrar would make that possible. This probably would avoid the necessity of Mr. Biggar proceeding by statement of claim. I can see that there is room for placing different interpretations upon very important provisions of the Unfair Competition Act, which, in the public interests and that of practitioners, should be pronounced upon by the courts. The Act is a comparatively new one, and as might be expected, difficulties in its interpretation and administration naturally arise.

It is not only the long delay in dealing with the application of his client which Mr. Biggar complains of,—and which he thinks should be favourably disposed of—but that no decision has been given at all. I think in all fairness there is a great deal of justification for the complaint, because a year's delay, or even, ordinarily, a delay of three

months, in disposing of a trade-mark application, might prove a serious matter for an applicant and for his business. Trade-mark applications should be dealt with promptly and the Patent Office organization and staff should be such as to permit of this. Now, whatever may have been the difficulties in the way of the Registrar in reaching a decision in the case of one or the other application here, there is no authority whatever for holding that no action could be taken until the respective applicants had removed the difficulties by mutual agreement, or their respective rights had been determined by the court. I agree the Registrar should make a decision; he should refuse one or the other, or both; this would permit either of the applicants, or both of them, to assert an appeal. While the second applicant was not before me on the motion, I have no doubt it complains also of the failure to render a decision upon one or both applications. Until this is done, there cannot, I think, be any appeal, the interested parties meanwhile are helpless, and the only remedy open to them is to seek an order of the court to compel the Registrar to act upon their applications; but that is not a satisfactory way of dealing with a case of this kind particularly where there are two applicants for the same mark. There is no provision in the Act for referring applications which are in conflict to the court when the Registrar does not, for some reason or other, see fit to make a decision himself. Mr. Biggar contended that under sec. 39 of the Act a decision should be rendered practically forthwith upon receipt of an application for registration of a trade-mark and that had this been done in the case of the application of the Continental Oil Company, upon the state of the record at the date of its application, the registration would have gone to his client. I pass no opinion upon that view of the statute at present. I am not in a position to say what time might fairly elapse, in the Patent Office, between the date of the receipt of an application and the date of the disposition of the same. In the situation developed here I quite understand why the Registrar feels that he cannot close his eyes to the facts disclosed in the second application. But the gravamen of the complaint here is that no decision at all has been made, and I have no hesitation in stating that had proceedings been begun in the form I

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have suggested, and upon the state of facts disclosed upon the motion, I should have felt bound, if it were at all possible, to grant an order requiring some action on the part of the Registrar, just what, I need not and cannot now say.

Being of the opinion that the motion must, for the reasons stated, be denied, I cannot make any direction to the Registrar as to what he should do. Nevertheless, I would respectfully suggest that he at once exercise his best judgment in the matter and make it possible for one or both of the interested parties to appeal. I have no doubt that both applicants feel confident of their respective positions and whatever he does there will be an appeal.

There will be no order as to costs.

Judgment accordingly.