

THE RAYBESTOS COMPANY ET AL. . . PETITIONERS;

1923  
Jan. 20.

AND

THE ASBESTONOS COMPANY . . . OBJECTING PARTY.

*Trade-mark—User—Loss of trade-mark by non-user—Expunging—Varying of Register.*

The parties herein are both manufacturers of brake lining for automobiles. In 1916, the petitioners, by assignment from the R. E. Co., became the owners of two trade-marks, registered in the United States; one consisting of gold coloured coating on edges of lining with word "Royal" and the other for silver coloured coating. The silver edging was extensively used in Canada, and with respect to the gold edging, the R. E. Co. offered it for sale in Canada in 1914, by letter, and petitioners again began to advertise it in June, 1921, and it was on the market in September of the same year. On October 17th, 1921, the objecting party registered a trade-mark consisting of a wheel with the words "Asbestonos brake lining" thereon and the word "Asbestonos" on a piece of the lining running through the wheel, with gold coloured edges. The objecting party *inter alia* never used its mark as registered and never even used gold colour on the edges but used bronze. Petitioners now ask that the said trade-mark be varied by expunging therefrom the words "la dite bande brake lining peinte en or sur les côtés."

*Held* that petitioners were the first users of gold colour on the edge of the lining in Canada, and that, in any event, as registration of a trade-mark must be followed by user if the proprietor wishes to retain his right therein, the objecting party never having used its trade-mark as registered, and never having used the gold colouring on the edge, it had lost its right thereto, and that such part of the registered trade-mark of the objecting party as related to the use of gold colour on the edge of the lining should be expunged, and the register of trade-marks be varied accordingly.

PETITION to expunge from the Canadian Register of Trade-Marks a part of the trade-mark registered by the objecting party.

December 18, 1922.

Case now heard before the Honourable Mr. Justice Audette at Ottawa.

*Russel S. Smart* and *John A. Ayles* for petitioners;

*Louis Côté* for the objecting party.

The facts are stated in the reasons for judgment.

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AUDETTE, J., now (January 20th, 1923), delivered judgment.

The petitioners, by the present proceedings, seek to expunge from the Canadian Register of Trade-Marks, upon the ground, *inter alia*, of first user, the words:

la dite bande brake lining peinte en or sur les côtés

which are to be found as part of the specific trade-mark, obtained by the objecting party, on the 17th October, 1921, and which

doit servir en rapport avec la vente de brake lining, et qui consiste dans le nom: "Asbestonos Brake Lining" écrit sur une roue, et une bande de Brake Lining passant à travers de la dite roue, et sur la dite bande le nom "Asbestonos" et au milieu de la dite roue, le rond représentant le côté du dit brake lining; la dite bande brake lining peinte en or sur les côtés,

the whole as more specially appears upon exhibit No. 1 filed at trial.

On the 2nd June, 1914, The Royal Equipment Company, a predecessor in title of the petitioners, registered in the United States a trade-mark for brake-lining, consisting of a gold-coloured coating upon the edges of the lining and the word "Royal." A copy of the American trade-mark is filed as exhibit No. 2 and a sample of the brake lining, made under the said trade-mark, is filed as exhibit No. 6.

The same company had also an American trade-mark registered on the 16th February, 1915, consisting of a silver-coloured coating upon an edge of the lining of a brake lining. This trade-mark is filed as exhibit No. 3.

In October, 1916, The Royal Equipment Company assigned its whole business to, and it was taken over by, the Raybestos Company, which, in turn, established a Canadian factory at Peterborough, in August, 1920, with a capital of \$250,000,—the stock of the latter being held by the American company, excepting, however, a certain number of qualifying shares.

From 1914 to November 1st, 1922, the petitioners sold in Canada 1,260,212 feet of brake lining with silver edge as shewn by exhibit No. 10 and in the last five years spent \$1,200,000 in advertising both in the United States and in Canada.

In June, 1921, the petitioners advertised (see exhibit No. 9) the announcement of the manufacturing and making of gold-edge brake lining by sending such advertisement to

3,400 jobbers and traders in Canada and that was followed by actual sale of their gold edge brake lining in Canada on the 21st September, 1921, as testified to and as appears by invoices filed as exhibit No. 13,—and on the 19th September, 1921, as appears by exhibit No. 14.

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Then there is also the further fact which appears from exhibit No. 12, and as testified to by witness Judd, that as far back as 1914, the petitioners were corresponding with Canadian customers with respect to the purchase and sale of their Royal lining,—which would obviously mean at that date the gold edge brake lining mentioned in exhibit No. 2.

The old records of the petitioners have been destroyed and are missing.

The petitioners have built up a large business and have advertised extensively at considerable expense and are well known on the Canadian market where they sold their goods and used their trade-marks.

Coming now to the facts in respect of the case for the objecting party, we find that the company was organized and incorporated in December, 1920, by one Joseph Poulin, who had been previously engaged in the mining business.

He was manufacturing his brake-lining, he says, in April, 1921, and contends he began selling in June, 1921, and in support of his evidence fixing the dates of sales he produces invoices filed as exhibits A, B and C.

In support of this first sale which he says he made in June, 1921, he produces exhibit A, being an invoice showing the purchase by him of bronze which he says he affixed upon the edges of his brake-lining on the very day of the purchase and it is from this exhibit that he ascertains that date.

But this exhibit A does not bear him out, since that exhibit is dated June, 1922, and not 1921. He explains this discrepancy, this conflict in his evidence by stating he affixed that bronze that very day; not the 22nd June, 1922—but 1921, and that 1922 is a mistake made by the vendors from whom he obtained, he says, this year, the other day, a copy of this invoice exhibit A. He further contends that he received on the day of purchase, a carbon copy of his purchase which he has lost. Out of

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exhibits A, B and C, the exhibit A is the only one which would apparently show user before the petitioners who sold in September, 1921, and yet it is dated 1922. Should the verbal evidence of an interested witness be preferred to documentary evidence?

Be that as it may, this exhibit A remains the foundation upon which the testimony of Poulin rests in arriving at the date of the first user of this gold or bronze lining on the brakes manufactured by him—unsupported by any vouchers or invoices covering his alleged sales or by his books which should also show such sales. Therefore, upon that point, we are left only with his testimony contradicted by the very document he produces. The lack of producing invoices and books of account may also be regarded as significant, and his testimony is certainly that of an interested witness.

Following that event, he made an application in July, 1921, for his trade-mark in question herein and when he originally made that application in July, 1921, there was no mention whatsoever of the “gold on the brake lining.” That part of his trade-mark as now extant, did not mention the part which is now sought to be expunged. His application of July was rejected. Then he made a second application which is dated the 19th September, 1921, wherein the gold edge appeared for the first time and he finally obtained his trade-mark on the 17th October, 1921.

The whole correspondence in respect of his application is to be found in exhibit No. 20 which should be read conjointly with the testimony of witness Ritchie. The application upon which the trade-mark was granted is dated the 19th September, but it appears from exhibit No. 20, that it was sent back to the applicant on the 5th October, 1921, to insert an exact and complete description of the mark. If corrected after the 5th October, 1921,—the date at which the correction was made and on which the part respecting the gold on the lining was added, does not appear.

Viewing the evidence as a whole I find first that the objecting party never used his trade-mark, that is, he never applied his trade-mark to the goods he was either manufacturing or selling. It is the use of a trade-mark and not

its invention that creates any right. See *Jones v. Horton* (1) and authorities therein cited.

He declared in his application that his trade-mark was not in use to his knowledge by any other person than himself. I gainsay it is not the intention of the law to allow a person to register a number of trade-marks and tie them up without usage.

There were three different substances or colours used upon the brake-linings in question in this case:—

- 1°. The Silver lining—Silver is a metal of a fine white colour and of lively brilliancy.
- 2°. Bronze lining—A brown colour. A pigment of yellow and red.
- 3°. Gold-lining—Gold is a metal of bright yellow colour.

Poulin states when he first started to use bronze on his brake-lining, he knew that the petitioners were selling brake-linings painted in silver; but he denies being aware of the extensive advertising the petitioners had made of their gold lining, through 3,400 jobbers and dealers. Yet would not the inference go to let one believe that a man in that trade would have heard of it? In the case of *Sphincter Grip Armoured Hose Co.* (2) an application was refused under similar circumstances on the ground that the proposed mark so nearly resembled the advertisements that it was calculated to deceive the public.

He never used gold but he used bronze. Now bronze is not gold, and bronze, which is brown, is not of the same colour as gold which is yellow. Furthermore the bronze which is on the lining produced in the carton as exhibit No. 18 is much brighter than gold and has such a brilliancy that when placed alongside exhibit No. 7 (that is the petitioners' gold lining) it appeals to the eye as not unlike silver and aided by the similarity of the carton or box and the marked assonance between Raybestos and Asbestonos, the whole applying to goods of the same descriptive pro-

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(1) [1922] 21 Ex. C.R. 330 at 337.      (2) [1893] 10 R.P.C. 84

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perties, the incautious customer could easily be made to buy one article for the other, whereby one trader would be placed in a position to be able to sell his goods for those of another trader.

The phonetic quality in both words, Raybestos and Asbestonos, while not *idem sonans* all through is certainly not without some analogy in sounds which connote the same origin and the same etymology.

It is clearly established that not only did the objecting party never use his trade-mark, but, moreover he never used gold on the lining of his brake,—but he used bronze. Registration must be followed by use if the proprietor wishes to retain his right to the trade-mark. *Spilling Bros. v. Ryall* (1).

Witness Lauder testified that the brake-linings are usually bought through the trade-mark and that the silver edge meant the petitioners' goods and that gold and silver on the lining appear alike.

There are a number of cases decided on this colourable similarity, in the use of colour and designs.

In re *Eagle Pencil Co.* (2) the registration of marks consisting of circumferential bands of different colours applied to goods of the same descriptive properties, was refused.

In re *Goodyear Tire and Rubber Co. v. The Firestone Tire and Rubber Co.* (3) it was held, *inter alia*, that a broad black circumferential band on the tread of a vehicle-tire, with a red band on each side adjacent to the tread was confusingly similar to a mark which consists of a broad blue circumferential band on the tread of a tire used by the opposant. There is no valid trade-mark in colouring an automobile tire one colour on the tread and another colour on the side, regardless what the two colours are.

The registration of a yellow stripe of uniform width spirally disposed around the surface of a rope was refused when a trade-mark for a red stripe already existed.

(1) [1903] 8 Ex. C.R. 195 at 198. (2) [1912] 185 Pat. Off. Gaz. (U.S.) 1383.

(3) [1917] 240 Pat. Off. Gaz. (U.S.) 641.

*A. Leschen & Son Rope Co. v. Broderick & Bascom Rope Co.* (1). See also *Singer Mfg. Co. v. Wilson* (2).

The petitioners have the uncontested right to the silver lining. The user of the gold lining by the objecting party, under his evidence, unsupported by invoices and vouchers and in conflict with the documents produced by himself, cannot be accepted, coupled with the other surrounding circumstances, in preference to the evidence of the petitioners. Moreover, would not the granting of this gold lining to any one but the owner of the silver lining go a long way towards creating a probable deception on the market when dealing with the incautious and unwary customer or the public. *Melchers Wz. v. DeKuyper* (3); *Barsalou v. Darling* (4).

The objecting party's packing, carton or boxes are also so similar to that of the petitioners that added this obvious fact to what has already been said, deception would readily arise.

The objecting party or his agents moved, shall I say, with the knowledge of the advantage to be had from the reputation of the petitioners and the desire to benefit by it, also copied the coils, rolls or cones appearing on exhibits 19a, 19b and 19c; but upon representation by the petitioners he agreed not to use them any further; they are not the subject of this litigation, but were filed, I assume, to corroborate the petitioners' contention in showing the objecting party's animus or inclination to copy and imitate their marks and benefit thereby.

The world is wide, as already said by Lord Justice Bowen (*Audette Ex. C.P. 322*) and there are so many names, so many designs that there is really no excuse for allowing any imitation in trade-marks.

And in trade-mark cases, the Court should exercise the discretionary power and jurisdiction given it by section 42 of the "Trade-Mark and Design Act," in guarding the purity of the register and in not only refusing or expunging

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(1) [1911] 164 Pat. Off. Gaz.  
(U.S.) 977, 978.

(2) [1875] 2 Ch. D. 434 at p.  
441.

(3) [1898] 6 Ex. C.R. 82.

(4) [1881] 9 S.C.R. 677.

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in cases that are calculated to deceive but also in cases liable to deceive the public, notwithstanding the usual argument of undesigned coincidence always set up in evidence and at trial.

Exercising this statutory discretionary jurisdiction and approaching my conclusion upon the individual facts above mentioned as well as upon the evidence *dans son ensemble*, as a whole, and within the atmosphere, so to say, prevailing all through the case I find myself unable to place any reliance upon the objecting party's evidence establishing user in June, 1921, contradicted as he is by documentary evidence produced by himself and unsupported by any invoice or books. The next invoice in date of the year, 1921, filed by the objecting party shows the purchase of bronze on 30th September, 1921, and that would synchronize with what Mr. Ritchie states when he says that it was in the latter part of September that the gold edge was first mentioned upon the application for registration. This document exhibit A speaks with more force than the mere verbal statement, especially on a question of date, where any one is liable to make a mistake.

The objecting party knew of the silver lining on the petitioners' goods and he selected a gold lining for his trade-mark; but he never used his trade-mark and therefore derived no right or protection therefrom; he used bronze and not gold on his lining, gold being only a small part of his trade-mark. Moreover, if the extensive advertisements placed by the petitioners in Canada of their gold lining in June, 1921,—in respect of goods of the same descriptive properties as those of the objecting party, could have remained unknown to the latter up to December, 1921,—the public was made aware of it and would obviously become liable to be deceived in purchasing gold lining, and easily be made to purchase the goods of one person for those of the other,—especially if it is considered that the goods are packed in similar cartons, bearing names not unlike with respect to its etymology and the sound of some of its syllables—having both the word Asbestos as foundation.

The objecting party had already copied some of the petitioners' literature in advertising—namely the coils



which he abandoned upon the petitioners' representation.

Taking all the circumstances of the case into consideration I find the petitioners are entitled to claim the first legal user in Canada of the gold on their brake lining in 1921, without entering any further upon the evidence tending to show their user in Canada as far back at 1914, and I hereby order to vary the Canadian Register of Trade-Marks by expunging the words: "*la dite bande brake lining peinte en or sur les côtés*," which appear in the body of the said trade-mark registered in Register No. 128, folio 29578, on the 17th October, 1921, and which were so registered without sufficient cause.

There will be judgment accordingly and the whole with costs against the objecting party.

*Judgment accordingly.*

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