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*Mar. 24, 26.
*Nov. 16.

THE CANADA PUBLISHING COMPANY (LIMITED) AND SAMUEL GEORGE BEATTY (DEFENDANTS).. } APPELLANTS;

AND

WILLIAM JAMES GAGE (PLAINTIFF) ...RESPONDENT.

ON APPEAL FROM THE COURT OF APPEAL FOR ONTARIO.

Trade mark—Copyright—Head line copy book—Name "Beatty"—Right of party to use his own name—Goods sold to deceive public.

G. carried on business in partnership with B., a part of the business being the sale of a series of copy books designed by B., to which was given the name "Beatty's Head-line Copy Book." The partnership was dissolved by B. retiring and receiving $20,000 for his interest in the business.

After the dissolution B. made an agreement with the Canada Pub. Co. to prepare a copy book for them, which copy book was prepared and styled "Beatty's New and Improved Headline Copy Book" which the said Co. sold in connection with their business.

G. brought a suit against B. and the Co. for an injunction and an account, claiming that the sale of the last mentioned copy book was an infringement of his trade mark. He claimed an exclusive right to the use of the name "Beatty" in connection with his copy book, and alleged that he had paid a larger sum on the dissolution than he would have paid unless he was to have the exclusive sale of these copy books.

Held, Affirming the judgment of the Court of Appeal, Henry and Taschereau JJ. dissenting,—That defendants had no right to sell "Beatty's New and Improved Head-line Copy Book" in any form, or with any cover, calculated to deceive purchasers into the belief that they were buying the books of the plaintiff.

APPEAL from a decision of the Court of Appeal for Ontario (1) dismissing a motion to set aside a judgment of Mr. Justice Ferguson in favor of the plaintiff (2).

*PRESENT—Sir W. J. Ritchie C.J. and Strong, Fournier, Henry and Taschereau JJ.

(1) 11 Ont. app. R. 402. (2) 6 O. R. 68.

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In May, 1877, the plaintiff entered into partnership with the defendant Beatty, to carry on business under the name of Adam Miller & Co. A considerable part of the business was the manufacture and sale of head-line copy-books, and during the partnership Beatty designed a valuable copy-book which had a large sale, and to which was given the name "Beatty's Head-line Copy-Book."

In August, 1879, the partnership was dissolved by Beatty retiring, and he received $20,000 for his interest in the business. After the dissolution, in August, 1881, plaintiff registered the name "Beatty" in connection with Beatty's head-line copy-book.

Subsequently to this Beatty entered into an engagement with the Canada Publishing Company, by which he was to prepare head-line copy books for the company. Such books were prepared and sold under the name of "Beatty's New and Improved Head-line Copy-books."

The plaintiff instituted proceedings against both Beatty and the company, alleging that the last mentioned copy-books infringed his trade mark, and that the public were deceived in purchasing such books, supposing they were the books of the plaintiff. The bill prayed for an injunction and an account.

Mr. Justice Ferguson, who heard the cause, gave judgment for the plaintiff, which was sustained by the Court of Appeal. From the judgment of the last-mentioned court the defendants appealed.

The facts are fully stated in the report of the case in 6 O. R. 68.

Christopher Robinson Q.C. and *J. Maclennan* Q.C. for the appellants, the Canada Publishing Company.

W. Barwick for the appellant Beatty.

In addition to the points raised by counsel for appellants, and cases cited which appear in the report of the case in 6 O. R. 68, the learned counsel relied

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on the following case and authorities. *Pearson* v. *Pearson*, (1) *Sebastian* on the Law of Trade Marks (2). *S. H. Blake* Q.C. and *Z. A. Lash* Q.C. for the respondents.

The publication by the defendants of their book was conceived in fraud, for the purpose of having the defendants' book sold as and for the plaintiff's book. The defendants, knowing what the public wanted and demanded was a book called "Beatty's," made use of the name Beatty for this fraudulent purpose.

In preparing the cover for the defendants' book, the name "Beatty" was put in a prominent position because of its great value, and the name was made valuable in connection with copy books solely by the efforts and at the expense of the plaintiff and his firm. (The learned counsel then reviewed the evidence and contended that it was unquestionable that the book published by the defendants was meant to deceive, was calculated to deceive, and did deceive the public.)

The principle upon which the court should act in a case like the present, appears from the cases cited in the judgment in the court below (3).

The learned counsel also argued that the plaintiff had a right to restrain the defendants from infringing his trade mark, which consisted in the word "Beatty" and was a valuable asset of the firm.

Sir W. J. RITCHIE C.J., after reviewing the facts presented on the appeal, and the judgments of the court below, proceeded as follows:

In my opinion the plaintiff had the exclusive right to use the name "Beatty" in connection with, and as denoting, copy books of his manufacture, and no one has the right to the word for the purpose of passing off his books as those of the plaintiff, or even when innocent

(1) 27 Ch. D. 155. (2) 2 Ed. pp. 25 & 279.
(3) 11 Ont. App. R. 402.

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of that purpose, to use it in any way calculated to deceive, or aid in deceiving the public, to the detriment of the plaintiff; but, claiming the interference of the court, they must be prepared to show that the public are deceived, and purchasers misled, or that there is a reasonable probability of parties being deceived. This, in my opinion, has been shown in the present case.

I think the book, as published by the defendants, was calculated to deceive, and did deceive, and was intended to deceive purchasers. I adopt as perfectly applicable to the same the language of James and Thesiger L. JJ., in *Metzler* v. *Wood* (1); James L. J. says:—

> There is really no question of law in this case, no question of the right of a man to the use of his own name, or anything of the kind. The simple question is: Did the defendant dishonestly pass off his work as the work of the plaintiffs? That really is the sole issue, and the Vice-Chancellor has found in favor of the plaintiffs. It appears to me impossible to doubt the correctness of his conclusion.

And Thesiger L. J. says:—

> This is still more plain when we think of the class of persons who would be purchasers of this book, probably mothers of families, or governesses instructing young children, and who were told that "Beatty's" (substituting "Beatty's" for "Hemy's") was the best work for the purpose of so instructing children.

There is not a person that would not, unless thoroughly acquainted with both the works in dispute, be satisfied when he was presented with a copy of the defendants work, that he was receiving the well-known and popular copy book of Beatty as published by the plaintiff.

I think, therefore, that the appeal should be dismissed.

STRONG J.—I am of opinion that the appeal should be dismissed with costs.

FOURNIER J. concurred.

HENRY J.—I am sorry to differ from my learned

(1) 8 Ch. D. 606.

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brethren, but after a great deal of consideration have come to an opposite conclusion. The claim here is not made on a copyright, but merely to use a name as a matter of common law right in connection with "head-line copy-books." There is nothing peculiar in "head-line copy books;" all copy-books have a printed "head line" and are so called—they have been in use for a number of years in the United States, Scotland and England, and imported and sold as such in this country. The first series Beatty issued was printed as "Beatty's System of Practical Penmanship," and had no reference whatever to "head-lines," for such could form no distinctive character; —subsequently Beatty, who had been in partnership with Gage the respondent, sold out his interest in the partnership, including his interest in the copy-book printed and published by Gage and him, to his partner, and on the dissolution the right to sell remained in Gage. Beatty subsequently prepared, and the appellants published copy-books under the name of "Beatty's New and Improved Head-line Copy-Books." This title sufficiently distinguishes them from the respondent's book, printed and published as "Beatty's System of Practical Penmanship." Under these circumstances what right had Gage to the sole use of Beatty's name? True, at first Beatty was a partner with him, and when they dissolved partnership Gage had, no doubt, a right to continue to use his name, but could he stop Beatty from using his own name on a different work? The appellants' company, a publishing firm, wanted a superior work to what was in use, and applied to Beatty, who had earned for himself a reputation as a penman, and he furnished the new work, and they published it as "Beatty's New and Improved Head-Line Copy Books." These books are as different in general appearance from those published by respondents as two copy books could be, and they

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were made so as to prevent anybody acquainted with the subject matter from taking one for the other. Then the question arises: Did the appellant's adopt Beatty's name for the purpose of deceiving the public, and in order to palm off their goods for the plaintiff's goods? In my opinion there is no evidence to support that contention. There was no copyright of Gage's book, and it was admitted by all the judges that the law as to copyright did not govern the case, but the fact merely that appellants were using Beatty's name when selling their books was sufficient to give a right to plaintiffs to stop them from using it and interfere with their business. Suppose Beatty had patented a plough known as Beatty's plough, and sold his patent, and afterwards patented an improved article, not infringing the old, and called it Beatty's new and improved plough, could the owner of the original patent sue the maker of the improved article for infringement? I do not think he could. Here the copy book of the appellants did not infringe any right in the book published and sold by Gage. It appears to me the appellants did not usurp anything sold by Gage and they gave sufficient notice, by the title and appearance of those they published, to parties not to buy their books as being those sold by Gage. The respondent's case, in my opinion, has not been sustained by the facts in evidence. I think, therefore, the appeal should be allowed with costs.

TASCHEREAU J.—Such would have been my opinion also; I would have allowed the appeal.

Appeal dismissed with costs.

Solicitors for appellants, Canada Publishing Co.: *Macdonald, Davidson & Patterson.*

Solicitors for appellant, Beatty: *Moss, Falconbridge & Barwick.*

Solicitors for respondent: *Blake, Kerr, Lash & Cassels.*