

1-1956

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### Recommended Citation

William G. MacKay, *The Law and the Monopoly of Words as Trade-Marks*, 7 HASTINGS L.J. 180 (1956).

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## THE LAW AND THE MONOPOLY OF WORDS AS TRADE-MARKS

By WILLIAM G. MACKEY\*

It is to be understood that the term monopoly at the present time is in popular use and is susceptible of various interpretations. From an economic standpoint, the word means the exclusive control or possession of anything. The subject of our inquiry is monopoly, but only in connection with a small segment of the great field of human relations, that is, with respect to a certain type of property called a trade-mark, and more particularly as it concerns the use of words.

For a considerable period of time legal scholars had much difficulty in trying to make up their minds whether or not a trade-mark was actually a kind of property or was simply an identifying device, by reason of the use of which, the public could recognize a product from a particular source. There was a conflict of opinion as to whether or not a trade-mark should be regarded primarily as property, to be protected as such on behalf of the user or proprietor under well defined legal and equitable principles, or should be regarded rather in the light of a public interest in freedom of action and fair competition. In the last seventy-five years there has been a tremendous development in the use and importance of trade-marks. The property idea has become firmly entrenched.

We are, and should always be, entitled to a free use of our language. Perhaps this may well be regarded as a fundamental or inalienable right. This being so, all restrictions and limitations upon the free use of words, no matter what the reason or purpose may be, should be weighed carefully and scrutinized closely.

In the United States trade-mark rights are acquired by priority of adoption and use. Since there is always a difference of opinion, depending upon the circumstances in a given situation, as to what may or may not be monopolized in a trade-mark sense, the problem with respect to appropriation of a mark may be difficult. We must always take into consideration the character of the term sought to be monopolized as a trade-mark for particular goods or in a particular field of operation. We must have it in mind that a mark may be completely arbitrary, a mark may be descriptive or geographical in meaning, or it may be the name of a family or a host of individuals. The arbitrary marks we now call strong marks, and the others we refer to as weak marks. Some of these so-called weak marks are entitled to broad protection on the basis of secondary meaning in connection with a particular product or service.

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Rather than to make an attempt to discuss the question of monopoly of words as trade-marks in the abstract, it would seem more profitable, or should I say enlightening, to review briefly some of the many interesting, and at times, provocative judicial pronouncements and decisions on the subject.

In *Majestic Manufacturing Company v. Majestic Electric Appliance Co., Inc.*, Judge Freed wrote as follows:

"It is sufficient to say that the decided cases have uniformly drawn a sharp and well-defined distinction in the degree of protection awarded to the adopters and users of trade marks or trade names. It is firmly established on one hand, that the owner of a trade mark which is 'original,' 'arbitrary,' 'fanciful,' or a 'strong mark,' may exclude, or prevent anyone from the use of that trade mark not only for the commodity he manufactures and sells, but for a wide variety of products."

". . . it is equally well recognized that trade marks or trade names merely suggestive or descriptive in character, or those emphasizing the superior quality of the goods sought to be distinguished by them, and sometimes referred to as 'weak marks,' afford protection against their use in the narrow and restricted field only to which they have been applied. Trade marks such as 'Acme,' 'Anchor,' 'Champion,' 'Eureka,' 'Excelsior,' 'Ideal,' 'Jewel,' 'Liberty,' 'National,' 'Pride,' 'Premier,' 'Queen,' 'Royal,' 'Star,' 'Sunlight,' 'Triumph,' 'Victor' and the like are illustrative of this type of marks as was pointed out in *American Steel Foundries v. Robertson et al.*, 269 U. S. 372."<sup>1</sup>

The arbitrary or strong mark has always been given broad protection by the courts, regardless of differences as to goods or even differences in the marks involved. As to the matter of a difference in goods, we have as a typical case *Aunt Jemima Mills Co. v. Rigney & Co.*<sup>2</sup> It was held that the owner of a well known mark, AUNT JEMIMA'S with the picture of a laughing Negress, for a self-rising flour was entitled to enjoin the use of AUNT JEMIMA'S for a prepared pancake syrup. The difference in goods was a matter of concern to the court, and Judge Ward commented as follows:

"This brings us to inquire what the law on the subject really is. We find no case entirely like the present."<sup>3</sup>

The court concluded here that the use of AUNT JEMIMA'S for pancake syrup by the defendant was a trespass which equity would not permit, and pointed out that there were many pertinent decisions in the English courts, referring particularly to *Eastman Company v. Kodak Cycle Co.*,<sup>4</sup> in which Eastman brought suit to restrain the use of the word Kodak for bicycles and other vehicles.

<sup>1</sup> 76 USPQ 525, 525 (1948).

<sup>2</sup> 247 F. 407 (3d Cir. 1917).

<sup>3</sup> *Id.* at 409.

<sup>4</sup> 15 Rep. Pat. Cas. 105.

Mr. Justice Romer, in brief, had this to say:

"I think the defendant, Kodak Cycle Company, Ltd., ought to be restrained from carrying on business under that name. Moreover, they ought not to be permitted to sell cycles under the name KODAK CYCLES. It would lead to confusion. It would lead to deception and would be injurious to the plaintiff."<sup>5</sup>

The defendant was enjoined from making any use of KODAK as a trade-mark or as a part of a trade name.

The word PEAKS is an arbitrary mark for candy. In *Mason Au & Magenheimer Confectionery Mfg. Co. v. Chumas*,<sup>6</sup> Judge Chatfield held that the word PEAKS in the form of a design with the letters P and S connected, was infringed by the use of the word ALPS with the letters A and S connected, on a competing candy bar, similarly formed and wrapped. When we have it in mind that there is no similarity in the words, this is an interesting example of the extent to which a court may go in protecting a word mark, if there is a copying of design and an imitation of the product. Naturally, the question arises as to whether the court should have enjoined all acts of unfair competition without restraining the use of the word ALPS if shown in a different form. Speaking technically, it is obvious that the word ALPS is not to be regarded as confusingly similar to the word PEAKS. The court was concerned with the similarity of the ensembles, as such.

And in *George W. Luft Co. v. Zande Cosmetic Co.*,<sup>7</sup> Judge Swan and his associates approved a decision of the trial court holding that the word ZANDE is confusingly similar to the word TANGEE, saying:

"Also without merit is the claim that there is no confusing similarity between the words ZANDE and TANGEE. The appellants stress the absence of proof of actual confusion or deception or purchasers, but such proof is unnecessary."<sup>8</sup>

These decisions illustrate the attitude of the courts generally with respect to the truly arbitrary mark.

What is the situation with respect to the geographical mark, which is regarded ordinarily as being very weak? We find that when such marks have been used extensively, the courts are apt to give them a broad protection. It is interesting to observe that in *American Waltham Watch Co. v. United States Watch Co.*, the subject under consideration was the name WALTHAM, and we find Justice Holmes reasoning as follows:

"Whatever might have been the doubts some years ago, we think that now it is pretty well settled that the plaintiff, merely on the strength of having been first in the field, may put later comers to the trouble of taking

<sup>5</sup> *Id.* at 106.

<sup>6</sup> 275 F. 357 (E.D. N.Y. 1921).

<sup>7</sup> 142 F.2d 536 (2d Cir. 1944).

<sup>8</sup> *Id.* at 538.

such reasonable precautions as are commercially practicable to prevent their lawful names and advertisements from deceitfully diverting the plaintiff's custom."<sup>9</sup>

The extensive use of a mark of this character as applied to a particular product has become an increasingly important factor in the disposition of cases relating to the vital problem of adequate protection, and so, we find that in *Elgin Nat. Watch Co. v. Elgin Razor Corp.*, Judge Wilkerson enjoined the use of ELGIN for electric razors, taking the position that in spite of the character of the word ELGIN and the difference in goods, the use by the defendant was unfair. Said he:

"The advertisement of a \$15 ELGIN electric razor at prices ranging from \$2.95 to \$5 may to some extent reflect on plaintiff's good will and reputation. If the Elgin razors are in fact, as well as in price, cheap and of inferior quality, and not precision built, plaintiff's good will and reputation may be adversely affected."<sup>10</sup>

We find that in *Canadian Club Corporation v. Canada Dry Ginger Ale*,<sup>11</sup> it appeared that there was a palming off of the beverages of the defendant for the goods of the plaintiff, and that there was some similarity in the design of the packages. This being so, Judge Wooley held that the mark CANADIAN CLUB is confusingly similar to the mark CANADA DRY. If we consider seriously the natural limitations on such a geographically descriptive term as CANADA DRY, it may prove to be somewhat difficult to follow the reasoning of the court with respect to the name CANADIAN CLUB as a brand.

Family names have always presented a problem, simply because most family names identify a rather large group of persons, and there has been an understandable reluctance to sanction monopoly. However, the trend, as in the case of geographical marks, is to give broad protection to a well known family name brand. The case of *L. E. Waterman Co. v. Gordon*,<sup>12</sup> is typical. Here, the court considered it significant that WATERMAN was not the family name of the defendant and brushed aside the difference between fountain pens and razor blades. Judge Learned Hand spoke indignantly as follows:

"There is indeed a limit; the goods on which the supposed infringer puts the mark may be too remote from any that the owner would be likely to make or sell. It would be hard for the seller of a steam shovel to find ground for complaint in the use of his trade-mark on a lipstick. But no such difficulty arises here; razor blades are sold very generally by others than razor blade makers, and might well be added to the repertory of a pen

<sup>9</sup> 173 Mass. 85, 87, 53 N.E. 141, 142 (1899).

<sup>10</sup> 25 F. Supp. 886, 888 (N.D. Ill. 1938).

<sup>11</sup> 60 F.2d 785 (3d Cir. 1932).

<sup>12</sup> 72 F.2d 272 (2d Cir. 1934).

maker. Certainly, when the infringement is so wanton, there is no reason to look nicely at the plaintiff's proofs in this regard."<sup>13</sup>

It will be noted that in *Hat Corporation of America v. D. L. Davis Corporation*,<sup>14</sup> the trade-mark involved was the well known name DOBBS used for many years for hats. The court found that the name had actually become an impersonal symbol entitled to broad protection and reasoned that an individual by the name of William H. Dobbs should be precluded from using his own name on hats, directly or indirectly, to the detriment of an old established business.

In the recent case of *Bulova Watch Company, Inc. v. Stolzberg*,<sup>15</sup> the court reasoned that the use of BULOVA on low-priced shoes would injure the plaintiff's reputation and dilute the quality of his trade-mark, since that mark, although not fanciful, had been used for watches and the like for over fifty years, had been widely advertised, and was well known in the trade.

In this country there has been a popular misconception to the effect that a man has an absolute right to the use of his own name, but this is incorrect, a more proper rule being that he may only use his own name fairly.

Now, let us see what has been done with respect to ordinary run-of-the-mill words in the language. In *Alfocorn Milling Company v. Edgar-Morgan Co.*, we find that the plaintiff had adopted HAPPY HEN, HAPPY HOG, HAPPY COW, and HAPPY CHICK for feeds. Along came the defendant, apparently the stubborn type, and adopted HAPPY MULE for feed. The court said:

"We are of the opinion this word HAPPY is one of such nature as to be incapable of such exclusive appropriation by anyone."

As an example of the opposite extreme, we have the startling conclusion in *Trimble v. Woodstock Mfg. Co., Inc.*,<sup>16</sup> Judge Hazel held that the mark KUMFY KRIB is an infringement of the mark KIDDIE KOOP for cribs. It may seem fantastic, but the court stated:

"KUMFY KRIB . . . in my opinion, is an imitation of plaintiff's arbitrary and fanciful designation, registered as a trade-mark. . . ."<sup>17</sup>

The pendulum swings again. In *Pabst Brewing Co. v. Decatur Brewing Co.*,<sup>18</sup> there was a vigorous controversy over the use of the mark BLUE RIBBON for malt extract. Pabst had used the mark for many years and it had acquired a secondary meaning indicating Pabst Beer. Decatur had

<sup>13</sup> *Id.* at 273.

<sup>14</sup> 4 F. Supp. 613 (D. Conn. 1933).

<sup>15</sup> 72 USPQ 72 (1947).

<sup>16</sup> 297 F. 524 (W.D. N.Y. 1923).

<sup>17</sup> *Id.* at 528.

<sup>18</sup> 284 F. 110 (7th Cir. 1922).

operated a brewery in Illinois, but after handling beer for Pabst until the sale was prohibited, Decatur then began to sell a BLUE RIBBON BRAND of malt extract and built up a considerable business. Subsequent to the advent of prohibition, Pabst continued with the use of its famous BLUE RIBBON mark for near beer.

Judge Alschuler and his associates on the appeal bench followed the reasoning that the labels for malt extract indicated clearly that the product was used for food purposes, that is, for baking, and minimized the plain, hard fact with respect to the true use of the malt extract by the purchasing public. So the court was able, with a straight face, to state:

"The term 'Blue Ribbon,' on the contrary, had long acquired special significance, wholly apart from its use as a trade-name for any product. The Century Dictionary says it is employed to indicate membership in total abstinence organizations. Surely it was not this application which induced its employment as a trade-name for beer. A further definition given is that it signifies high merit, as indicating first prize for excellence at an exhibition or contest. It is in this long and well understood sense that it has been so very much used as a trade-name for articles of commerce. It was shown to have been registered in the Patent Office over 60 times, some of the several registrations being for whiskey, wine, vinegar, flavoring extracts, candy, chewing gum, chocolate, flour, bread, cigars, chewing and smoking tobacco, citrus fruits, fresh grapes, fresh deciduous fruits, and canned fruits. Such registrations at different times and to different persons would indicate that the Patent Office did not recognize a large measure of inclusiveness in the name."<sup>19</sup>

It appears that the court turned its back on two important facts—that BLUE RIBBON had acquired a secondary meaning as to beer—and that regardless of the labeling, malt extract was used primarily to make beer. How different the reasoning in *Anheuser-Busch, Inc. v. Budweiser Malt Products Corporation*.<sup>20</sup> The court restrained the use of BUDWEISER for malt syrup, and Judge Rogers made this statement:

"This brings us to a consideration of the law applicable to the facts. It has been suggested that the term 'Budweiser' is a geographical term, and therefore not a technical trade-mark. If 'Budweis' and 'Budweiser' are so nearly alike that the latter could properly have been called a geographical term, a question which it is not necessary now to decide, it is clear that the term 'Budweiser' is one which has acquired in this country a secondary meaning. As was said by the court in *Coca-Cola v. Koke Co.*, 254 U. S. 143, 41 Sup. Ct. 113, 65 L.Ed. 189, we may say in this case that: 'Whatever may have been its original weakness, the mark for years has acquired a secondary significance, and has indicated the plaintiff's product alone.'<sup>21</sup>

Although "Life" is a common word in the language and has been used as a trade-mark for many products, such as, cuff links, shirt studs,

<sup>19</sup> *Id.* at 112.

<sup>20</sup> 295 F. 306 (2d Cir. 1923).

<sup>21</sup> *Id.* at 309.

fruits and vegetables, breakfast cereal, tooth paste, cosmetics, cattle feed, and so on, we find that in *Time v. Viobin Corporation*,<sup>22</sup> the publisher of a magazine called LIFE sought to enjoin a mark consisting of the term LIFE OF WHEAT shown in white letters on a red background, with the word "Life" in larger type, for a cereal product sold in tins. Judge Lindley considered many cases involving differences in goods and even noted the words of Judge Hand in *Yale Corp. v. Robertson*, that such use may be an injury "even though the borrower does not tarnish it, or divert any sales by its use, for a reputation, like a face, is the symbol of its possessor and creator, and another can use it only as a mark."<sup>23</sup> That is a colorful statement, and may have some merit, particularly if the word "creator" has a part to play, but this can hardly be said of an ordinary and common word in the language, regardless of great effort on the part of the complainant. Said Lindley:

"Defendant's product is far removed from that of the Plaintiff. It is not in the same class, possesses none of the same functions. It seems to me there is no logical basis upon which it can be said that any member of the public can reasonably infer that cereal food in tin cans labeled 'Life of Wheat' is in any way sponsored by Plaintiff."<sup>24</sup>

In *Stanco, Inc. v. Mitchell*, we find Judge McMillan speaking in this vein:

"The evidence further shows that for several years defendants have manufactured and sold insecticide in large containers under the name 'Mitchellite,' but only since 1936 have they marketed and sold insecticide in small containers under the name 'Mit.' Defendants attempt to justify their use of the word 'Mit' on the ground, among others, that said word consists of the first three letters of their name and of the trade-name of their business. I am not attempting to say or to hold that the name 'Mit' was adopted purposely to obtain the benefit of the advertising and good will attaching to the commodity 'Flit,' but whether it was or not, the fact remains that to a certain extent it does. The suggestion that the word 'Mit' is available for defendants' use because an abbreviation of their own name does not impress me."<sup>25</sup>

And he went on:

"I recognize and accept the rule of the federal courts that there is no excuse for even an approximate simulation of a well-known trade-mark applied to goods of the same descriptive properties, and when applied, as here, to an identical commodity, I am of the opinion that such rule should be rigidly enforced. Another salutary and well-settled rule that should be applied here is that any reasonable doubt should be resolved against the newcomer in the field. Therefore, the defendants, on entering upon the insecticide business already occupied by plaintiff, owed the duty of distinctively

<sup>22</sup> 40 F. Supp. 249 (E.D. Ill. 1941).

<sup>23</sup> 26 F.2d 972, 974 (2d Cir. 1928).

<sup>24</sup> See note 21 *supra* at 253.

<sup>25</sup> 23 F. Supp. 205, 206 (W.D. Tex. 1937).



naming their product so as to insure against confusion in the mind of the purchasing public."<sup>26</sup>

It is particularly interesting to note that in *Wonder Mfg. Co. v. Block*, Judge Gilbert held that:

"The word 'Wonder' upon goods identical in appearance, insoles for shoes, conveys the same idea as does the word 'Wizard' and its use is an infringement."<sup>27</sup>

and in *Block v. Jung Arch Brace Co.*,<sup>28</sup> the 6th Circuit refused to follow such reasoning and held that WONDER and MIRACLE are not likely to be confused with WIZARD. Said Judge Hickenlooper:

"Under the foregoing facts, the plaintiffs' right to relief, if any, depends upon the right to appropriate, by registration (adoption) of trade-mark, the exclusive right to use of all words implying supernatural origin, or abnormal or magical source, and plaintiffs' argument goes to this extent. Thus 'Wonder' is said to infringe the trade-mark 'Wizard' because a 'Wizard' is a 'wonder worker'; 'Miracle' is said to infringe because it is 'a wonder.' By like process of reasoning an infringement could be predicated upon the use of the words 'conjurer,' 'magician,' 'sorcerer,' 'alchemist,' 'spiritualist,' and many other words having no similarity in appearance or sound. This we conceive to be inconsistent with both reason and precedent."<sup>29</sup>

For a good, common sense discussion concerning the question of the significance of the use of common words, we have the case of *Quaker Oats Co. v. General Mills, Inc.*<sup>30</sup> Here we find that General Mills had adopted the marks WHEATIES, KORNIES and MAIZIES for cereal products and, of course, WHEATIES was applied to a wheat cereal and KORNIES and MAIZIES were applied to a corn cereal food. Along came the Quaker Oats Company with the mark OATIES for an oat cereal product. General Mills objected and a vigorous contest ensued. Having in mind the scientific approach to the problem of a likelihood of confusion in trade, it is entertaining to observe the words of Judge Minton:

"Both parties conducted surveys. The defendant, from its survey, subpoenaed some seventeen of the persons interviewed to testify in court and to identify a questionnaire each had responded to on the survey. The substance of their testimony was that a representative defendant came to their houses making a survey on ready-to-eat cereals, and asked each witness a number of questions from a questionnaire which was filled out in the presence of the witness and signed by the witness. The gist of the questionnaire and of the testimony of these seventeen witnesses at the time was directed to the answers the witnesses had made to Question 5 in the questionnaire. In making the survey, Question 5 was propounded in two ways, 'Do you recall what

<sup>26</sup> *Id.* at 206.

<sup>27</sup> 249 F. 748, 749 (9th Cir. 1918).

<sup>28</sup> 300 F. 308 (6th Cir. 1924).

<sup>29</sup> *Id.* at 309.

<sup>30</sup> 134 F.2d 429 (7th Cir. 1943).

company makes "Oaties"?' or in the alternative, 'Here is an advertisement of "Oaties." What company do you think makes it?' The response of these seventeen witnesses was to the effect that the 'Wheaties' company made it. At the time the question was asked, an advertisement of the plaintiff was exhibited to the person being interviewed, and who later testified in court, which advertisement fairly shrieked 'Quaker' at one who looked at it. The dominating feature of the advertisement was the smiling countenance of a Quaker as he exhibited in his hands the enlarged facsimile of a carton in which 'Oaties' was then being marketed."<sup>31</sup>

After noting a common use of the diminutive suffix "ies" in the breakfast cereal trade, the court held that OATIES is not likely to be confused with WHEATIES or KORNIES or MAIZIES.

A review of these representative decisions and opinions leads inescapably to the conclusion that there is a constant striving toward the desired end that there be no unjustified interference with fair competition. It is evidence also that trade-mark law is essentially judge-made law and that there is great truth in the age-old admonition that every tub must rest on its own bottom. It must be understood that legitimate business should be protected in the use of trade-marks against the evils of what we call poaching and piracy and the palming off of one's good as the goods of another. At the same time we must be conscious of the true significance of the use of common words in the language, whether they be descriptive, geographical, or family names, and actually, when one adopts as a trade-mark a word falling in these categories, he should be charged as a matter of law, with notice of all of the limitations and weaknesses inherent in such a word. Although it is well understood that there is an overwhelming desire on the part of business to adopt and use, for reasons fairly obvious, descriptive and geographical terms and family names, it is a more sound business practice to adopt an arbitrary type of trade-mark, distinctive in character, and more readily susceptible of broader protection.

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<sup>31</sup> *Id.* at 431.