

BETWEEN:

KING FEATURES SYNDICATE, } PLAINTIFFS;
INC., et al..... }

1950
Feb. 1
May 3, 4

AND

BENJAMIN H. LECHTER,.....DEFENDANT.

Copyright—Infringement—Copyright Act, R S.C., 1927, c. 32, ss. 2(j), 3—Title as subject matter of copyright—“Infringing”—The Unfair Competition Act, 1932, 22-23 Geo. V, c. 38, s. 3(b) 52—Passing off—Plaintiffs’ mark not registered in Canada—Registration of defendant’s mark obtained by means of a false representation expunged.

Plaintiff King Features Syndicate Inc is owner of the Canadian Copyright in a well-known comic strip consisting of drawings and text, the copyright extending to both. The most widely known character in the comic strip is “Popeye” and that word has been used at times as the title of the strip. Defendant is the registered owner in Canada of the trade mark “Popeye”.

1950
 KING
 FEATURES
 SYNDICATE
 INC., ET AL.
 v.
 BENJAMIN
 H. LECHTER
 Cameron J.

Plaintiffs allege that defendant, a wholesale and retail dealer in watches and jewellery carrying on business in Montreal, P.Q., without the authorization or consent of plaintiffs in 1948 was advertising and selling in Canada watches bearing on their dials reproductions of the characters in the above mentioned comic strip and that such were advertised and sold as "Popeye" watches.

In an action for infringement of plaintiffs' copyright defendant admitted that the plaintiffs were the owners or licensees of the four characters so reproduced on the dials of defendant's watches and that the reproduction of such characters on his watches infringed plaintiffs' copyright in such characters. The Court found that in addition to this admission the use of the word "Popeye" in connection with such characters constituted an infringement of plaintiffs' rights. The Court also found that the evidence did not establish that the plaintiffs—or any of them—had acquired any common law trade mark rights in the word "Popeye" in Canada and they had no registered trade marks for that word in Canada.

Held: That the very limited use of the dial in plaintiffs' "Popeye" watch does not constitute such distribution of the wares in Canada as to bring the name "Popeye" used in connection therewith, within the ambit of s 3(b) of The Unfair Competition Act, 1932.

- 2 That mere intent to deceive is not enough, there must be grounds of apprehending actual deception, and plaintiffs are not entitled to restrain defendant from using the trade mark "Popeye" unless that word be used in association with the characters or literary work in which plaintiffs have a copyright, or a copy or a colourable imitation thereof.
3. That since the entry in the register of trade marks does not accurately express or define the existing rights of the defendant as there was no user by him prior to registration it should be expunged.

ACTION for infringement of copyright.

The action was tried before the Honourable Mr. Justice Cameron at Ottawa.

Hazen Hansard, K.C. and *André Forget* for plaintiffs.

Christopher Robinson, K.C. for defendant.

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

CAMERON J. now (February 1, 1950) delivered the following judgment:

In this matter the plaintiff, King Features Syndicate, Inc.—a New York corporation—is the owner of the Canadian copyright in the well-known comic strip entitled at various times "Thimble Theatre," "Thimble Theatre

Starring Popeye,” and “Popeye.” The strip consists of drawings and text and the copyright extends to both. The said copyright was first registered in Canada on May 29, 1934. Further registrations were obtained at weekly intervals as the comic strip was published, the last of such registrations being effected on the 27th of April, 1936. The material so registered included a great many drawings and representations of the characters in the strip including “Popeye”, “Olive Oyl”, “Wimpy”, and “Sweetpea”. The Hearst Corporation—the second named plaintiff—is made a party due to the fact that when it assigned the copyright to King Features Syndicate, Inc., in 1943, it retained an exclusive licence therein, subject to the terms of the contract dated December 31, 1943. The third named plaintiff—Harman Watch Company, Inc., on June 3, 1947, received a licence from the Hearst Corporation to reproduce the characters of the said comic strip and to utilize the names of the said characters in connection with the sale of watches *inter alia* throughout the United States, Canada and Mexico; that licence renewed a former agreement of a similar nature date 24th January, 1944, between the Hearst Corporation, Inc., and Harman Watch Corporation—then a partnership.

The defendant carries on business at Montreal as a wholesale and retail dealer in watches and jewellery. It is alleged that without the authorization or consent of the plaintiffs, the defendant in 1948 was advertising and selling in the United States and Canada watches bearing on their dials reproductions of the characters “Popeye”, “Olive Oyl”, “Wimpy” and “Sweetpea”, and the word “Popeye”, and that such watches were advertised and sold as “Popeye” watches.

The plaintiffs claim a declaration that the reproduction by the defendant of the drawings representing the characters from the said comic strip on watches, advertising matter, packages and the like, and the use of the names of said characters in connection with the advertising and sale thereof constitute an infringement of the plaintiff’s copyright; an injunction, damages or an accounting of profits, and the delivery up for destruction of all infringing watches, containers, packages, advertising and other literature. They also ask for an order directing the Registrar of

1950
 KING
 FEATURES
 SYNDICATE
 INC. ET AL.
 v.
 BENJAMIN
 H. LECHTER
 Cameron J.

1950
 KING
 FEATURES
 SYNDICATE
 INC., ET AL.
 v.
 BENJAMIN
 H. LECHTER
 Cameron J.

Trade Marks to expunge from the register, Registration No. 81 N.S. 21020, purporting to be a registration by the defendant of the word "Popeye" as a trade mark for watches.

It may be noted at once that there is no evidence that the defendant sold or advertised his "Popeye" watches other than in Canada.

I think it is clear, also, that in considering the rights of the plaintiffs it is necessary to limit such consideration to such rights as may be vested in King Features Syndicate, Inc., or which by reservation or assignment from King Features Syndicate Inc., have become vested in the other two plaintiffs, the latter being mere licensee of King Features Syndicate, Inc.

The primary right of the plaintiffs, King Features Syndicate, Inc., in its copyright is defined in section 3 of the Copyright Act, R.S.C. 1927, c. 32 as amended.

the sole right to produce or reproduce the work or any substantial part thereof in any material form whatsoever.

That right extended to its licensees.

After some years of planning and preparation the Harman Watch Company delivered the first of its "Popeye" watches to its dealers in the early part of 1948. Exhibit 47 is a sample of that watch. Its dial bears reproductions of the four characters "Popeye", "Wimpy", "Olive Oyl" and "Sweetpea", the figure "Popeye" being much the largest of the four characters. The word "Popeye" does not appear thereon but the words "King Features Syndicate" appear at the bottom of the dial.

In August, 1948, the defendant commenced to advertise and sell watches of which Exhibit 1 is a sample. The dials thereon were prepared to his order by another firm, but do not bear the name of any manufacturer or vendor. Each of the dials, however, has on it a perfect reproduction in miniature of the four characters which I have named; and, except that it bears the word "Popeye" and does not bear the words "King Features Syndicate", is identical throughout with the dial put out by the Harman Watch Company—Exhibit 47. The reproduction of Exhibit 47 in Exhibit 1 is so perfect and complete that—as stated by one witness—Wimpy's whiskers in each case are made up of exactly nine hairs.

After all the evidence had been submitted, counsel for the defendant admitted that the plaintiffs were the owners or licensees of the copyright in the four characters so reproduced on the dials of the defendant's watches (Exhibit 1) and that the reproduction of such characters on his watch did infringe the plaintiff's copyright in such characters.

This admission of infringement, however, is limited to the reproductions of the four characters on watch dials similar to those in Exhibit 1. The plaintiffs, however, submit that the use of the word "Popeye" in connection with the said characters, one of which is the character known as "Popeye" or "Popeye the Sailorman", is also an infringement of their copyright. "Popeye", as I have said, has been used at times as the title of the plaintiff's comic strip but is also the name of one of the characters in the strip, perhaps the one most widely known.

The broad principle is that in general a title is not by itself a proper subject matter of copyright; but there may be particular cases when the title is on so extensive a scale or of so important a character as to be a proper subject of protection against being copied. The general principle, however, has been modified in Canada to a limited extent by an amendment to the Copyright Act. By section 2 of the Copyright Amendment Act, 1931, subsection (v) is added to section 2 of the Act. By that amendment " 'work' shall include the title thereof when such title is original and distinctive." The effect of this amendment was considered in the Privy Council in *Francis, Day & Hunter Ltd. v. Twentieth Century Fox Corp. Ltd.*, (1). In that case the plaintiffs claimed copyright in a song entitled "The Man Who Broke the Bank at Monte Carlo," and claimed that the use of those words as the title of a motion picture film infringed their copyright in the musical work. At p. 124 Lord Wright said:

Their Lordships are prepared to assume for purposes of this appeal that the amendment applied to existing copyrights: they will likewise assume that the title was original in the sense that it had not been copied from another work. They are content for purposes of this appeal to adopt the definition given by Maclean J. in *Kantel v. Frank Grant, Nisbet & Auld Ltd.*, (1933) Ex. C.R. 84, though they wish to reserve the question how far that definition can be accepted as sufficient in other cases. It is, however, difficult to define satisfactorily the word "distinctive", since it cannot mean merely that the title is used to identify the particular

1950
 KING
 FEATURES
 SYNDICATE
 INC. ET AL.
 v.
 BENJAMIN
 H. LECHTER
 Cameron J.

1950
 KING
 FEATURES
 SYNDICATE
 INC., ET AL.
 v.
 BENJAMIN
 H. LECHTER

Cameron J.

work. In this connection regard must be had to s. 3 of the Act of 1921 which defines copyright as the "right to produce or reproduce the work or any substantial part thereof." The definition (v) does not, in their Lordships' judgment, mean that the title of a work is to be deemed to be a separate and independent "work". Work is to include "the title thereof", that is to say, the title is to be treated as part of the work, provided that it is original and distinctive whatever these words may connote. When that definition is read with s. 3, the result is that to copy the title constitutes infringement only when what is copied is a substantial part of the work. This view would agree in effect with what was said by Jessel M.R. in *Dick v. Yates* in the words quoted above and would apply to a case such as a title covering a whole page of original matter, or something of that nature, but would not justify such a wide extension of copyright as the appellant company has contended for, or the holding of McEvoy J on this point. It is said that so to construe the definition is to treat it as adding nothing to the law. But the definition may have been inserted to settle doubts and to avoid it being said that in no circumstances could a title receive protection. In any event their Lordships do not think that the new definition (v) entitles the appellants to succeed in *this* case.

In the case at bar the evidence establishes that the title "Popeye" was original in that it was the word coined by the plaintiffs or their predecessors in title and had not been copied from any other work; and that it was also distinctive. The defendant's admission that the use of the four characters constitutes infringement of the plaintiff's copyright therein is sufficient, I think, to establish that what the defendant copied was "a substantial part of the work" in which the plaintiffs had copyright. That is sufficient, in my view, to bring the title "Popeye", when used in conjunction with the four characters, within the protection afforded by section 2(v). I find, therefore, that not only was there infringement by the defendant by the reproduction of the four characters as shown in Exhibit 1 (as now admitted by the defendant), but also that the use of the word "Popeye" *in connection with such characters*, constituted an infringement of the plaintiff's rights.

Following a conference with solicitors for the plaintiffs, the defendant says that on September 20, 1948, he discontinued the manufacture and sale of watches with dials such as Exhibit 1. But almost immediately thereafter he advertised, manufactured and sold other "Popeye" watches of which Exhibit 9 is a sample. The dial on that watch has four characters thereon, similarly disposed as in Exhibit 1 and Exhibit 47. The word "Popeye" appears prominently and is so placed that it might be considered as the name of

the watch or, alternatively, as the name of the character on each side of which one-half of the word appears. The plaintiffs allege further that the defendant has no right to use the name "Popeye" on watches; and, secondly, that the characters represented on Exhibit 9, while not identical with the four characters reproduced on Exhibit 47, are so similar thereto that they constitute a substantial reproduction of the plaintiff's work and that their use by the defendant with or without the word "Popeye" should be prohibited.

The defendant is the registered owner in Canada of the trade mark "Popeye." On September 8, 1945, he applied for its registration as applied to watches, alleging that that word had been used by him on watches since June 1, 1945, to indicate that such wares were sold by him. His application was granted on December 14, 1945, as appears by the Registrar's certificate, Exhibit 13. It must be kept in mind that this is not an action for infringement of trade mark, none of the plaintiffs having registered "Popeye" as its mark in Canada in connection with any wares.

In considering whether the dial in Exhibit 9 constitutes an infringement of the plaintiff's copyright, it is necessary to keep in mind the definition of "infringing" as found in the Act. It is as follows:

Sec. 2. (j). "Infringing," when applied to a copy of a work in which copyright subsists, means any copy, including any colourable imitation, made, or imported in contravention of the provisions of this Act.

That definition is in exactly the same words as section 35(1) of the English Act. In Copinger & James on Law of Copyright, 8th ed., the author says at p. 123.

Various definitions of "copy" have been suggested, but it is submitted that the true view of the matter is that, where the Court is satisfied that a defendant has, in producing the alleged infringement, made a substantial use of those features of the plaintiff's work in which copyright subsists, an infringement will be held to have been committed; if he has made such use, he has exercised unlawfully the sole right which is conferred upon the plaintiff. If this view is correct, it follows that the degree of resemblance between the two works is not in itself the test of infringement but is only one factor in determining whether an unlawful use of the plaintiff's work has been made. For example, assume two cases in which advertising posters resemble the plaintiff's original and that, in the one case in which the resemblance is less close, it is proved aunde that the defendant's artist had the plaintiff's work in front of him and slavishly imitated certain specific features of the design, but, in the other, though the general appearance is closer, the artist is able to establish

1950
 KING
 FEATURES
 SYNDICATE
 INC., ET AL.
 v.
 BENJAMIN
 H. LECHTER
 Cameron J.

1950
 }
 KING
 FEATURES
 SYNDICATE
 INC., ET AL.
 v.
 BENJAMIN
 H. LECHETER
 ———
 Cameron J.
 ———

that, though he made use of the plaintiff's basic idea, his execution was quite independent; it is submitted that the former and not the latter would be an infringement.

An inspection of the dial on Exhibit 9 shows that like Exhibits 1 and 47 there are four characters similarly disposed. I do not consider that fact in itself to be of any importance as the plaintiffs had no copyright in all characters or in their disposition on watch dials. The largest figure extends from 12 o'clock on the dial to a point below where the hands are joined and it is also identified by the word "Popeye," one-half of which appears on each side thereof. That figure is not in all respects the same as the character "Popeye" in which the plaintiff has copyright. The bulging cheeks and the well-known pipe are missing, and a red necktie and arms akimbo have been added. But the amended version of "Popeye" still has many of its old characteristics—the bulbous nose, the red cap and the large blue sailor jacket. But above all, the defendant has himself identified the character by the use of the word "Popeye." Could anyone doubt that it was intended to be a colourable imitation of the original character? I think not.

Now the defendant gives no explanation as to how he conceived the idea of the characters in Exhibit 9. It appeared immediately after he agreed to discontinue the use of the dial in Exhibit 1. He was thoroughly acquainted with the popularity of all the "Popeye" characters. I have not the slightest doubt that in bringing out the dial in Exhibit 9 he intended to use a character which purchasers without too close a scrutiny would accept as being the original "Popeye," but which he at least hoped would be so dissimilar as to enable him to avoid a suit for infringement. That he was quite prepared to adopt the characters of the plaintiffs is established by his own evidence. When planning the dials to be used in watches such as Exhibit 1, he forwarded copies of the plaintiffs' comic strips in colour to watch makers in Switzerland with instructions to reproduce them accurately. From those firms he procured samples of dials which in turn he submitted to other firms in Toronto; the latter in turn submitted further samples—or the same ones—which he then sent to New York firms. Their samples—or the same ones—were in turn handed over by the defendant to a firm in Montreal which finally turned

out the dials as in Exhibit 1 (and later the dials as in Exhibit 9). That dial, as I have said, except for the use of the name "Popeye," is precisely the same as the plaintiffs' dial on Exhibit 47, so much so that it is admitted by all parties that they must have had a common origin. Without any hesitation whatever, I accept the evidence of the plaintiffs that the dial as in Exhibit 47 was originated entirely by them, Harman working in conjunction with the officials of King Features Syndicate. They said that their original sketch was sent to Switzerland, that the engraver there who had possession of it could not later be discovered for some time; that, therefore, they sent an exact copy of the sketch to another firm in Switzerland which made the dials as in Exhibit 47. I reject entirely the suggestion made on behalf of the defendant that the plaintiffs in some unexplained manner came into possession of his dial. The reasonable inference is that in some manner, one or other of the firms with which the defendant had dealings, came into possession of the sketch originally sent by the plaintiffs to Switzerland and which was lost there. Keeping in mind, therefore, that the defendant has not explained the origin of the dial in Exhibit 9, that the defendant was not above appropriating to his own use the work of the plaintiffs—as shown by the infringement now admitted—that just prior to bringing out Exhibit 9 he had spent money in advertising "Popeye" watches, that the main figure on the dial of Exhibit 9 bears many and substantial resemblances to the original "Popeye," and is, in fact, identified as being the character "Popeye" by the use of the word "Popeye" adjacent thereto, there can be no doubt—in my mind at least—that Exhibit 9 is a colourable imitation of the features of the plaintiff's work in which copyright subsists. In the words of Bayly, J., in *West v. Francis*, (1) and cited with approval by Viscount Maugham in *King Features Inc. v. Kleemann Ltd.*, (2)—it is a copy which comes so near to the original as to give every person seeing it the idea created by the original. The similarity here is sufficiently substantial to constitute *prima facie* evidence of copying; that evidence has not been refuted by any evidence of the defendant to establish that notwithstanding the similarity there was no copying but independent creation; see the

1950
 KING
 FEATURES
 SYNDICATE
 INC., ET AL.
 v.
 BENJAMIN
 H. LECHTER
 Cameron J.

(1) (1822) 5 B. & Ald. 737.

(2) (1941) 2 A.E.R. 406.

1950
 KING
 FEATURES
 SYNDICATE
 INC. ET AL.
 v.
 BENJAMIN
 H. LECHTER
 Cameron J.

opinion of Lord Wright at p. 414 in *King Features Inc. v. Kleeman Ltd.*, (*supra*). The defendant has exercised unlawfully the sole right which is conferred on the plaintiffs and should be enjoined therefrom. Moreover, I find that as the copying of the plaintiffs' work was substantial, that the use of that work with the title "Popeye" on Exhibit 9 constitutes an infringement of the plaintiffs' rights for the reasons which I have stated above.

As to the other three characters displayed on the dial of Exhibit 9, I need say but little. They appear to be identical copies of the head only of the main character thereon ("Popeye"), the lower one located at 6 o'clock having the same red sailor cap, and the other two, facing inwardly at 3 and 9 o'clock, having blue caps. They are so dissimilar to the characters in which the plaintiffs have copyright that, when used as characters only, they cannot be held to be an infringement of the plaintiffs' copyright.

Turning now to the question of the use of the title of "Popeye" alone, I must say that in my opinion this question falls to be considered under the trade mark law rather than that applicable to copyright. There is no evidence that the watch put out by the Harman Watch Co. Inc.—or its predecessor—was ever in use in Canada or was known in Canada within the meaning of section 3(b) of The Unfair Competition Act, 1932. The plaintiffs have led evidence intended to establish that about 1935 a watch made by Montgomery Ward & Co. under license from the Hearst Corporation was distributed in Canada and was therefore known in Canada within section 3(b). W. J. O'Neil, Secretary-Treasurer of Paramount Film Services, Ltd., states that about that year his firm received from the parent company—Paramount Pictures Inc. of New York—a small number of watches similar to Exhibit 22 for distribution gratis among his firm's employees in Toronto for advertising purposes in connection with "Popeye" film cartoons, and that he or his family received two or three of them, one of which was still in his possession but was not produced. That watch has but one character, that of "Popeye," and the dial bears the name "Popeye" in red ink adjacent to the figure. There is no evidence that that "Popeye" watch was ever advertised or sold in Canada. I am of the opinion that

the very limited use of that dial in that way does not constitute such distribution of the wares in Canada as to bring the name "Popeye", used in connection therewith, within the ambit of section 3(b).

1950
 KING
 FEATURES
 SYNDICATE
 INC. ET AL.
 v.
 BENJAMIN
 H. LECHTER
 Cameron J.

The plaintiffs also claim that the defendant has no right to use on his wares in any manner the names of the four characters in which they have copyright, that is the names of "Popeye", "Wimpy", "Sweetpea" and "Olive Oyl." They submit that the defendant did not adopt the trade mark "Popeye" in good faith but as part and parcel of his infringement and in order to obtain for himself a weapon with which to compel the plaintiffs to grant him a license for the production of watch dials bearing those characters. Their contention is that the use of such names constitutes a species of passing off and that the public, by reason of the very extensive use of the "Popeye" strip in magazines, newspapers, comic books, films and radio, and the extensive advertising thereof throughout Canada, the United States and elsewhere have learned to associate the names of the characters with the characters themselves and with the products put out by the plaintiffs, and would therefore be deceived by the defendant's watches bearing the names and would erroneously assume that they were getting the products of the plaintiffs. It is well established that both in Canada and the United States the plaintiffs have licensed the use of the names and characters in the manufacture and sale of a great number of novelties which have been widely distributed. Further, while admitting that there is no copyright in the name as such, they submit that the word "Popeye" is a purely fancy name denoting only the name of the character, and that, having copyright in the character itself (which is admitted) that under copyright law they have such a right in the name itself that no others may use it.

It seems to me that the claims of the plaintiffs under this heading may properly be considered to be one of passing off. I am unable to find anything in the evidence which would indicate that the plaintiffs—or any of them—had acquired any common law trade mark rights in the word "Popeye" in Canada and they had no registered trade

1950
 KING
 FEATURES
 SYNDICATE
 INC. ET AL.
 v.
 BENJAMIN
 H. LECHTER
 ———
 Cameron J.
 ———

marks for that word in this country. In my opinion, therefore, their rights in regard to the use of the word must be considered only under the law relating to copyright.

Now under some circumstances, an author may be able to prevent others from using the title of his work. In Copinger & James on Law of Copyright, 8th ed., the author refers to that right on p. 83 as follows:

It will be observed from the foregoing that, although an author has probably no copyright in his title and cannot restrain its use in all cases, he has a valuable right, in that he may be able to prevent its use upon any similar publications, and that this right is akin to that in a trade mark.

At p. 80 he says,

As has been seen there is, in general, no sufficient labour of composition involved in the title of a book to justify its protection as a literary work. But titles of books are in certain circumstances protected from imitation by means of a "passing-off" action.

The action for "passing-off" lies where the defendant has represented to the public that his goods or business are the goods or business of the plaintiff. A defendant may make himself liable to this action by publishing a work under the same title as the plaintiff's, or by publishing a work where title and "get up" so resembles that of the plaintiff as to deceive the public into the belief that it is the plaintiff's work.

And at p. 82 the author refers to a case in which Bacon, V.-C. was of the opinion that to support a claim to restrain the use by another of a name on the ground of it being a quasi trade mark, it was necessary to show that the wares offered for sale were so nearly identical that the use of the particular trade mark or name might mislead unwary purchasers.

Now the publications in which the plaintiffs have copyright were originally those of the "Popeye" comic strip, some of which were registered under the Act and filed as exhibits herein; later they probably acquired an automatic copyright by further publications of the comic strip, comic books, cinema films and radio scripts. But at no time in Canada have any of the plaintiffs used or made known any of their "*published literary work*" in connection with the manufacture, sale or distribution of watches. In commercial circles the use of the word "Popeye" in association with watches was not known in Canada until the defendant's watch went on the market in 1948. The publications of the plaintiffs and the watches of the defendant in the mind of any reasonable person would be quite dissimilar.

Reference may be made to *Derek McCulloch v. Lewis A. May (Produce Distributors) Ltd.*, (1). In that case the plaintiff was a well-known broadcaster under the name "Uncle Mac" and the author of books and periodicals. He alleged that the defendant, trading under the name of "Uncle Mac" in the sale of breakfast cereals, would cause confusion to himself and damage to his professional reputation. Wynn-Parry, J., in a judgment dismissing the action said at p. 64:

1950
 KING
 FEATURES
 SYNDICATE
 INC. ET AL.
 v.
 BENJAMIN
 H. LECHTER
 Cameron J.

It is of the essence of an action for passing off to show, first, that there has been an invasion by the defendant of a proprietary right of the plaintiff, in respect of which the plaintiff is entitled to protection, and, secondly that such invasion has resulted in damage or that it creates a real and tangible risk that damage will ensue.

It is with the first part of that proposition that I am immediately concerned. It is established beyond argument that under the law of England a man is not entitled to exclusive proprietary rights in a fancy name in vacuo; his right to protection in an action for passing off must depend on his showing that he enjoys a reputation in that name in respect of some profession or business that he carries on or in respect of some goods which he sells. Further, he must show that the acts of the defendant of which he complains have interfered or are calculated to interfere with the conduct of his profession, business, or selling goods, in the sense that those acts of the defendant have led or are calculated to lead the public to confuse the profession, business or goods of the plaintiff with the profession, business, or goods of the defendant. The element of confusion is essential, but the element of confusion necessitates comparison.

And at pp. 66 and 67:

I have listened with care to all the cases that have been cited and upon analysis I am satisfied that there is discoverable in all those in which the Court has intervened this factor, namely, that there was a common field of activity in which, however remotely, both the Plaintiff and the Defendant were engaged and that it was the presence of that factor that accounted for the jurisdiction of the Court.

With those considerations in mind, I turn again to the relief claimed in this action. It is: "An injunction to restrain the Defendants, their servants and agents from selling, offering for sale or advertising puffed wheat or any other product in such a manner as is calculated to suggest that the Plaintiff is responsible for or associated with the production or marketing of such puffed wheat or other product."

Upon the postulate that the Plaintiff is not engaged in any degree in producing or marketing puffed wheat, how can the Defendant, in using the fancy name used by the Plaintiff, be said to be passing off the goods or the business of the Plaintiff? I am utterly unable to see any element of passing off in this case. If it were anything, it were libel, as to which I say nothing. Passing off, in my judgment, it certainly is not. If I were to accede to the Plaintiff's claim I should, as I see it, not merely be

1950
 KING
 FEATURES
 SYNDICATE
 INC., ET AL.
 v.
 BENJAMIN
 H. LECHTER
 Cameron J.

extending quite unjustifiably the scope of the action of passing off, but I should be establishing an entirely new remedy; and that I am quite unprepared to do.

I therefore conclude that the Plaintiff in this case established no cause of action.

Reference has already been made to the case of *Francis Day & Hunter, Ltd., v. Twentieth Century Fox Corp., Ltd.*

In that case it was held,

That the respondents had not been "passing off" the exhibition of their motion picture as a performance of the song. The thing said to be passed off must resemble the thing for which it is passed off, and the song and the motion picture were completely different and incapable of comparison in any reasonable sense.

I have been referred to an American case, *Paramore v. Mack Sennett, Inc.*, (1). In that case the plaintiff was the author of a poem entitled, "The Ballad of Yukon Jake," and the defendants had made a cinematographic film entitled "Yukon Jake", the plot of which bore no relation to the poem. In enjoining the use of the name and awarding damages, the Court said at p. 68:

Plaintiff here satisfied the requirements I have indicated as necessary to protect his right to the exclusive use of the name "Yukon Jake". His contention is, and the probabilities agree with him in that, that the use of the title "Yukon Jake", attached to a motion picture, even though the picture itself depicted none of the incidents of his story, would affect greatly the salability of his scenario. This for the principal reason that the public, familiar with the poem and its story, would be impelled to view any picture exhibited under the title "Yukon Jake" in the belief that it would portray the characters and incidents in the plaintiff's poem; that upon the exhibiting of the defendant's picture, occurring before plaintiff had sold his scenario, there would no longer be the same demand for a second picture under a title containing the words "Yukon Jake", and the marketability of plaintiff's scenario would thus be proportionately destroyed.

That decision while of interest is not binding on me and would appear to be in conflict with the decisions which I have cited. In any event, it is to be noted that there is a much greater degree of similarity between two literary productions such as a poem and a film story than exists between comic strips and watches.

Counsel for the plaintiffs also cited *Philco Corporation of Canada, Ltd. v. Bialik*, (2). In that case the defendant was restrained from making use of the trade name "Philco" in connection with the manufacture or sale of cravats or neckties at the suit of a competitor having prior rights to

(1) (1925) 9F. 2d 66.

(2) (1946) 5 Fox's Canadian Patent Cases, 139.

that trade mark as applied to radios and other analogous wares. That, however, was entirely a trade mark case, the plaintiffs having various trade mark registrations covering the word "Philco", including certain types of fabrics.

1950
 KING
 FEATURES
 SYNDICATE
 INC., ET AL.
 v.
 BENJAMIN
 H. LECHTER
 Cameron J.

I have no doubt whatever that the defendant, herein used the trade mark "Popeye" with the intention of indicating that in some way his wares were associated with those of the plaintiffs and thereby to deceive the public. But as stated in *Copinger & James* at p. 81, "mere intent to deceive is not enough, there must be grounds of apprehending actual deception". Applying the principles laid down in the cases I have referred to, I have reluctantly reached the conclusion that on this point the plaintiffs must fail. They are not entitled to restrain the defendant from using the trade mark "Popeye" unless that word be used in association with the characters or literary work in which the plaintiffs have copyrighted, or a copy or a colourable imitation thereof.

The plaintiffs also ask for an order that the defendant's registered trade mark "Popeye" be expunged from the register. That part of the claim is made under section 52 of the Unfair Competition Act, 1932, which is as follows:

52(1). The Exchequer Court of Canada shall have jurisdiction on the application of the Registrar or of any person interested, to order that any entry in the register be struck out or amended on the ground that at the date of such application the entry as it appears on the register does not accurately express or define the existing rights of the person appearing to be the registered owner of the mark.

This application is made on the ground that the registration was made upon a misrepresentation of fact in that in his application therefore the defendant alleged that he had used the mark on watches "since June 1, 1945". The burden of proof, of course, is on the plaintiffs. They rely on the judgment of O'Connor, J., in *Standard Brands Ltd. v. Staley*, (1). In that case the defendant's registered mark was struck out on the ground that he had stated in his application that the mark had been used since a specified date—a statement found to be untrue. It was further held in that case:

(2) That registration under the Unfair Competition Act merely serves to confirm title to a trade mark which has already been established by use, and no trade mark right can be acquired by registration made under the Act before use since valid registration cannot be obtained unless there has been use

(1) (1946) Ex C.R. 615

1950
 KING
 FEATURES
 SYNDICATE
 INC., ET AL.
 v.
 BENJAMIN
 H. LECHTER
 CAMERON J.

It is necessary, therefore, to consider the evidence to ascertain, whether the defendant prior to his application had, in fact, used his trade mark "since June 1, 1945", or at all. The only evidence on this point is that of the defendant himself and I must say at once that I approach the examination of his evidence with very considerable doubts as to his credibility, as will later appear. On his examination for discovery, after being questioned as to the dials on Exhibits 1 and 9 which were not in production prior to July or August, 1948, he was asked whether he had sold any other watches under the trade mark "Popeye" without drawings, and his answer was that he had sold some in the year 1934. Nowhere in his evidence is there the slightest suggestion that between 1934 and July, 1948, he had manufactured, advertised or sold any watches bearing the word "Popeye" on the dial, and on the whole of the evidence I am satisfied that he did not. His statement on his application that he had used the word on watches "since June 1, 1945" is false and registration was granted upon a false and material representation.

However, as I have said, he alleges a user of the word in 1934 or 1935. He states that about that time, having heard that children were interested in watches with dials bearing the word "Mickey Mouse," and having some acquaintance with the character known as "Popeye the Sailor;" he conceived the idea of putting the word "Popeye" on his dials. He says that having some watches on hand, he instructed his assistant Katz to write that word in ink on a number of the dials and later disposed of them. That assistant, though still in the defendant's employment, was not called in corroboration. The whole story, is so vague and uncertain and his evidence in regard to that and other matters is so full of contradictions and evasions, that I am quite unprepared to accept it as the truth. If he had used the word as a trade mark in 1935, why did he not give that date as the date of first user on his application for registration? He had no clear recollection of the exact year in which the watches were made. He was uncertain as to the number and had no records of any sort either as to sales or purchases. He could not give the name of any firms to whom the watches had been sold but stated that they had gone out of business.

If he knew that they had gone out of business I think he would quite clearly know their names. He said on his examination for discovery that some children, whose names he could not recall and whom he had not seen, had asked him to prepare watches of that type, but at the trial he said he got that idea from his nephews and nieces. In his examination-in-chief, he said he had never seen watches that were marked with pen and ink markings on the dial. In cross-examination he stated that on his instructions markings of that type had been made by his assistant on all the "Popeye" watches sold in 1935. Now each of these inconsistencies may individually seem to be but of minor importance, particularly as they refer to events that occurred some twelve or thirteen years ago. But cumulatively they are of such importance as to lead me to the conclusion that the whole evidence of the defendant on this point, quite uncorroborated by any other evidence, is unworthy of belief. But there is another and very important part of his evidence which quite satisfies me that the defendant's evidence is not to be believed. On his examination for discovery he referred to the firm of Cameo Craft in Montreal, the makers of the dials as in Exhibit 1. He said then (no doubt thinking that it was in his interest to do so) that that firm made the drawings for the dials, that he had not given them a drawing from which to work, and that he did not know "where they copied the designs." He said that they submitted the design to him and he approved it. At the trial he admitted in cross-examination that these statements were totally untrue and that he personally had supplied Cameo Craft with one of the dials made to his order by a New York firm, with instructions to reproduce it. His examination for discovery took place within a year of these occurrences, all of which were of a most important nature and must have been within his knowledge at the time of his examination for discovery.

In my opinion, the defendant's story as to the use of the word "Popeye" on his watches in 1935 is a complete fabrication and I reject it entirely. It follows, therefore, that as he had not used the word "Popeye" on watches at any time prior to his application for its registration, that he had no right to apply for its registration. The grant of registra-

1950
 KING
 FEATURES
 SYNDICATE
 INC., ET AL.
 v.
 BENJAMIN
 H. LECHTER
 Cameron J.

1950
 KING
 FEATURES
 SYNDICATE
 INC. ET AL.
 v.
 BENJAMIN
 H. LECHTER
 Cameron J.

tion was made on that misrepresentation and on the facts now disclosed should not have been granted. The entry in the register does not accurately express or define the existing rights of the defendant and should therefore be expunged.

The plaintiffs, therefore, are entitled to a declaration that the reproduction by the defendant of the drawings representing the characters "Popeye", "Wimpy", "Olive Oyl" and "Sweetpea" on watches, advertising matter, packages and the like, and with or without the use of the names of the said characters, and specifically the reproductions of the said characters or any of them with the name of such characters on the dials of watches as Exhibit 1 and Exhibit 9 constitute an infringement of the plaintiffs' rights. The plaintiffs are also entitled to an injunction permanently restraining the defendant from further infringement thereof.

The plaintiffs also ask for damages or an accounting of profits as they may elect. It should be pointed out that on January 19, 1949, the solicitors for the defendant gave notice that the defendant had paid into Court \$450.18 and alleged in the notice "that that sum is enough to satisfy the plaintiffs' claim for damages for infringement of the plaintiffs' rights in the drawings forming the subject matter of the copyright referred to in these proceedings, but denies liability therefor."

The plaintiffs rejected the offer contained in such notice, alleging that the notice and the payment-in were irregular, null and void. The plaintiffs have succeeded in certain of their claims other than that for which payment-in was made.

The plaintiffs are entitled to a reference to the Registrar of this Court to ascertain and report the amount of the damages sustained by the plaintiffs by reason of the defendant's infringement; or, alternatively, to take an accounting of the profits made by the defendant by the sale of such infringing watches, and to report the same, as the plaintiffs may elect.

The plaintiffs are further entitled to the usual order for delivery for destruction of all infringing watches such as Exhibit 1 and Exhibit 9, together with infringing containers, packages, advertising and other literature.

There will also be an order directing the Registrar of Trade Marks to expunge from the register the registration of the trade mark "Popeye", granted to the defendant on December 14, 1945, as No. 81 N.S. 21020.

1950
 KING
 FEATURES
 SYNDICATE
 INC. ET AL.
 v.
 BENJAMIN
 H. LECHTER
 Cameron J.

The defendant must also pay the taxed costs of the plaintiffs up to and including the entry of judgment. The costs of the reference and of any subsequent proceedings will be reserved to be disposed of following the report of the Registrar.

The monies paid into Court by the defendant will be applied in payment of the plaintiffs' costs and of any amount which the plaintiffs may be found entitled to following the reference. Should there be any surplus after payment thereof, the balance will be paid out to the defendant.

If the form of the order cannot be agreed upon, the matter may be spoken to.

Judgment accordingly.