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Unfair Competition—Secondary Meaning of Trade Names in Cases of Dissimilar Products

Plaintiff is the publisher of "Seventeen," a magazine of fashions and other interests for girls of high school age. It began publication in August 1944 and had the name "Seventeen" registered in the patent office as a tradename for "a monthly magazine devoted to the interests of girls." Defendants are manufacturers of dresses for "teen-age" girls, named and labeled "Seventeen for the Junior Teens." They began to show samples to the trade in November 1944 but did not make deliveries until May 1945. Plaintiff, in March 1945, brought an action for infringement and unfair competition grounded on defendant's use of the word "Seventeen" in their tradename and label. The evidence showed that plaintiff's magazine had had a phenomenal success from the time of its first publication; that in addition to the publication of the magazine the plaintiff also conducts a sales promotion service designed to promote the sale of dresses which have been advertised in its magazine; that this service consists of expert advice as to styles and salesmanship, as well as reprints, counter cards and "blow-ups" of its advertisements for use in store displays; and that the plaintiff also sells hang-tags for garments on sales racks, featuring the words "You saw it in Seventeen." The evidence further showed that the word "Seventeen," as used by the defendants in their label, was given prominence over the words "for the Junior Teens"; and that the defendants furnished dealers with hang-tags, such as the plaintiff did, in which the word "Seventeen" was emphasized. The trial court found that the defendants had deliberately chosen the word "Seventeen" with a knowledge of the good reputation that the plaintiff's magazine had acquired and with the intention of taking unfair advantage of its reputation and good will; that persons in the apparel business had been confused by the defendant's tradename into thinking that there was some relation or connection between their dresses and the plaintiff's magazine; and that the confusion was likely to continue.¹ From a judgment granting injunctive relief the defendants appealed. *Held*: Although there was no technical infringement of the plaintiff's statutory registration, since the defendant's merchandise was not "of substantially the same descriptive properties" as that registered by the plaintiff, that the use of the name of the magazine in a service for commercially blessing and obliquely branding the merchandise of others endowed the tradename "Seventeen" with a secondary meaning which is entitled to protection.²

The development of the law of unfair competition is of compara-

¹ Triangle Publications, Inc. v. Hanson, 65 F. Supp. 952 (E. D. Mo. 1946).

² Triangle Publications, Inc. v. Hanson, 163 F. 2d 74 (C. C. A. 8th 1947).

tively recent origin.³ A trader's protection in the use of his trade-name is but a part of the broader field of unfair competition,⁴ the general purpose of which is to prevent one person from passing off his goods or services as the goods or services of another.⁵ The early cases were based solely upon the fraudulent use of technical tradenames or marks and thus protection was narrowly confined by the defense that the names in question did not comply with the common law requirements.⁶ To be valid under the rules of the common law a technical tradename must be fanciful and arbitrary, and not merely generic or descriptive of the goods or their quality;⁷ nor may it be merely geographical.⁸ It cannot be obtained in the form, appearance, or finish of one's goods, nor in the mere size or shape or mode of construction of a container.⁹ It cannot be a personal name;¹⁰ and whatever the name it must be affixed to the goods in connection with which it is used.¹¹ Obviously, with the growth of commerce and the attendant growth in advertising and other methods of creating good will there is found the use of numerous names not worthy of protection as a technical tradename because not complying with some of the requirements set out above. It was through the efforts of the courts to avoid these hardships in protecting reputation and to halt dishonesty in the trade, even in the absence of an infringement of a technical tradename, that the doctrine of "secondary meaning" came into being.¹² The doctrine may be generally stated as meaning that words or symbols used in connection with one's goods, services, or business, or the physical attributes of one's goods, which for some reason or other, are not capable of exclusive appropriation as a technical tradename, may nevertheless be protected against simulation when they have acquired a secondary meaning,¹³ differing from their primary meaning, that is, when they have become associated in the mind of the public as

³ As late as 1742, Lord Hardwicke in denying relief stated that he "knew of no instance of restraining one trader from making use of the same mark with another." *Blanchard v. Hill*, 2 Atk. 484 (1742), quoted in Note, 38 HARV. L. REV. 370 (1924).

⁴ *Hanover Star Milling Co. v. Metcalf*, 240 U. S. 403 (1916).

⁵ *United Drug Co. v. Rectanus Co.*, 248 U. S. 90 (1918).

⁶ *Hanover Star Milling Co. v. Allen and Wheeler Co.*, 208 Fed. 513 (C.C.A. 7th 1913); *aff'd*, 240 U. S. 403 (1916).

⁷ *Elgin National Watch Co. v. Ill. Watch Case Co.*, 179 U. S. 665 (1901). Also see 26 R.C.L. 847.

⁸ *La Republic Francaise v. Saratoga Vichy Springs Co.*, 107 Fed. 459, 461 (C.C.A. 2d 1901).

⁹ *Up-John Co. v. Wm. S. Merrell Chemical Co.*, 269 Fed. 209 (C.C.A. 6th 1920), *cert. denied*, 257 U. S. 638 (1921).

¹⁰ *Thaddeus Davids Co. v. Davids Mfg. Co.*, 233 U. S. 461 (1914).

¹¹ *Diederich v. Schneider Wholesale Wine Co.*, 195 Fed. 35 (C.C.A. 8th 1912).

¹² *G. & C. Merriam Co. v. Saalfeld*, 198 Fed. 369 (C.C.A. 6th 1912).

¹³ *Ibid.*

identifying the source or origin of goods, rather than the goods themselves.¹⁴

The test to be applied is whether the name has become broadly known to the public as denoting a product of certain origin.¹⁵ It is essential that the secondary meaning claimed be indicative of origin and not merely descriptive of the process of manufacture,¹⁶ or of the functional features¹⁷ of the goods or services.¹⁸ The plaintiff has the burden of showing that the disputed name has acquired a secondary meaning,¹⁹ and that the defendant has unfairly used it, or a simulation thereof, to the prejudice of the plaintiff's interests.²⁰

Since a trader's right grows out of the use of the tradename he has chosen and not its mere adoption,²¹ to state a cause of action the plaintiff must show his exclusive use and the establishment of a secondary meaning prior to the time of the defendant's use.²² In establishing the fact of identity of origin in the public consciousness the plaintiff may present testimony of members of the purchasing public,²³ or of retailers or salesmen.²⁴ But the view of the general purchasing public is controlling,²⁵ inasmuch as the test, as pointed out above,²⁶ is the reaction of the general public. Evidence of expenditures in advertising a name used in connection with a trader's goods, services, or business, while not conclusive, is an important factor in determining the existence of a secondary meaning.²⁷ The same is true of showing a large volume of sales.²⁸ Not only must the plaintiff

¹⁴ *Armstrong Paint and Varnish Works v. Nu-Enamel Corp.*, 305 U. S. 315 (1938).

¹⁵ *Barton v. Rex-Oil Co.*, 2 F. 2d 402 (C.C.A. 3d 1924). See Notes, 40 A.L.R. 424 (1924); 150 A.L.R. 1079 (1943).

¹⁶ *Rubber and C. Harness Trimming Co. v. F. W. Devoe and C. T. Reynolds Co.*, 233 Fed. 150 (N. J. 1916).

¹⁷ "Functional features" in unfair competition cases means those which, in an engineering sense, are necessary to the construction of an article. *Lektro-Shave Corp. v. General Shaver Corp.*, 92 F. 2d 435 (C.C.A. 2d 1937).

¹⁸ *Shredded Wheat Co. v. Humphrey Cornell Co.*, 250 Fed. 960 (C.C.A. 2d 1918). Also see Note, 150 A.L.R. 1079 (1943).

¹⁹ *Kellogg Toasted Corn Flake Co. v. Quaker Oats Co.*, 235 Fed. 657 (C.C.A. 6th 1916).

²⁰ *McGraw-Hill Pub. Co. v. American Aviation Associates*, 117 F. 2d 293, 296 (App. D. C. 1940).

²¹ *Hanover Star Milling Co. v. Metcalf*, 240 U. S. 403 (1916).

²² *Up-John Co. v. Wm. S. Merrell Chemical Co.*, 269 Fed. 209 (C.C.A. 6th 1920), *cert. denied*, 257 U. S. 638 (1921). Also see *Sterling Products Corp. v. Sterling Products*, 45 F. Supp. 960 (S.D.N.Y. 1942).

²³ *Steem-Electric Corp. v. Herzfeld-Phillipson Co.*, 118 F. 2d 122 (C.C.A. 7th 1940).

²⁴ *Bayer Co. v. United Drug Co.*, 272 Fed. 505 (S.D.N.Y. 1921).

²⁵ *Steem-Electric Corp. v. Herzfeld-Phillipson Co.*, 118 F. 2d 122 (C.C.A. 7th 1940).

²⁶ *Barton v. Rex-Oil Co.*, 2 F. 2d 402 (C.C.A. 3d 1924). See Notes, 40 A.L.R. 424 (1924); 150 A.L.R. 1079 (1943).

²⁷ *Premier-Pabst Corp. v. Elm City Brewing Co.*, 9 F. Supp. 754 (Conn. 1935).

²⁸ *Up-John Co. v. Wm. S. Merrell Chemical Co.*, 269 Fed. 209 (C.C.A. 6th 1920), *cert. denied*, 257 U. S. 638 (1921).

show the establishment of identity of origin²⁹ but he must also show the resulting confusion in the minds of dealers and the purchasing public caused by the defendant's simulation of the plaintiff's trade-name.³⁰ This too may be proved by testimony of members of the purchasing public³¹ and by that of dealers.³² Some courts have held that as a condition to granting relief a fraudulent intent must be proved.³³ But, since the injury to the plaintiff is the same regardless of intent, the better view is that intent is immaterial.³⁴

The early secondary meaning cases expressed the strict view of unfair competition. Not only did the parties have to be competing in the same territory, but they had to sell the same article.³⁵ This may be explained by the fact that the earlier cases demanding relief under the theory of unfair competition were all simple cases of one trader passing off his good as those of a rival.³⁶ Since all of these early decisions turned solely on the "passing off" by the defendant, the courts later on could find but little authority for enjoining the acts of a defendant who was not, strictly speaking, a competitor of the plaintiff.³⁷ However the history of tradename litigation shows that the use of similar names in *non*-competing fields has become the normal rather than the exceptional case of infringement.³⁸ In recognition of this development the courts began to extend their protection to cases involving dissimilar, non-competing products if it could be shown that they were "related."³⁹ Under the "relation" doctrine protection was extended in cases involving pancake flour and syrup,⁴⁰ baking powder and baking soda,⁴¹ washing powder and sweeping powder,⁴² men's suits and men's hats,⁴³ cooking pans and wash boilers,⁴⁴ beer and

²⁹ *Barton v. Rex-Oil Co.*, 2 F. 2d 402 (C.C.A. 3d 1924); See Notes, 40 A.L.R. 424 (1924); 150 A.L.R. 1079 (1943).

³⁰ *Zangerle & P. Co. v. Venice Furniture Novelty Mfg. Co.*, 133 F. 2d 266 (C.C.A. 7th 1934).

³¹ *Stem-Electric Corp. v. Herzfeld-Phillipson Co.*, 118 F. 2d 122 (C.C.A. 7th 1940).

³² *Bayer Co. v. United Drug Co.*, 272 Fed. 505 (S.D. N.Y. 1921).

³³ *United Lace and Braid Mfg. Co. v. Barthels Mfg. Co.*, 221 Fed. 456 (E.D. N.Y. 1915).

³⁴ *American Products Co. v. American Products Co.*, 42 F. 2d 488 (E.D. Mich. 1930); *Trappey v. McIlhenny Co.*, 281 Fed. 23 (C.C.A. 5th 1922), *cert. denied*, 260 U. S. 733 (1922), *modified*, 12 F. 2d 19 (C.C.A. 5th 1926), *cert. denied*, 273 U. S. 699 (1926).

³⁵ *Borden Ice Cream Co. v. Borden's Condensed Milk Co.*, 201 Fed. 510 (C.C.A. 7th 1912).

³⁶ NIMS, UNFAIR COMPETITION 4 (2d ed. 1919).

³⁷ See Note, 38 HARV. L. REV. 370 (1924) and authorities there cited.

³⁸ *Schechter, The Rational Basis of Trademark Protection*, 40 HARV. L. REV. 813, 825 (1927).

³⁹ *Aunt Jemima Mills v. Rigney Co.*, 247 Fed. 407 (C.C.A. 2d 1917).

⁴⁰ *Ibid.*

⁴¹ *Layton Pure Food Co. v. Church and Dwight Co.*, 182 Fed. 35 (C.C.A. 8th 1910).

⁴² *Van Zile v. Norub Mfg. Co.*, 228 Fed. 829 (E.D.N.Y. 1916).

⁴³ *Rosenberg Bros. v. Elliot*, 7 F. 2d 962 (C.C.A. 3d 1925).

⁴⁴ *Aluminum Cooking Utensil Co. v. Sargoy Bros. and Co.*, 276 Fed. 447 (E.D.N.Y. 1921).

malt syrup,⁴⁵ automobiles and tires,⁴⁶ cut tobacco and cigarettes,⁴⁷ toilet soap and shaving soap,⁴⁸ pianos and phonographs,⁴⁹ toilet brushes and toothbrushes,⁵⁰ flour and bread,⁵¹ automobiles and radio tubes.⁵²

The cases cited established beyond controversy that the products need not be the same in order for relief to be granted, and that there need be neither confusion in the narrow sense that one article would be mistaken for the other, nor competition in the sense that the consumer's need for the one would be fulfilled by his purchase of the other.⁵³ In applying the relationship doctrine to grant relief where the products were dissimilar the courts were but a step away from granting relief even in the absence of a relationship if there was actually unfair competition. The fact that at this stage the tendency of the courts was to emphasize the word "unfair" rather than "competition"⁵⁴ made that step an easy one to take. Today, relief will be granted if it be shown that the defendant's use of the plaintiff's trade-name creates in the public mind the impression of some "connection" existing between the parties,⁵⁵ and/or simply that there is a likelihood that the public will be confused as to the identity of the maker of the defendant's product.⁵⁶ The result is certainly consistent with the test to determine secondary meaning, as set out above,⁵⁷ as well as with the

⁴⁵ *Anheuser Busch v. Budweiser Malt Products Corp.*, 287 Fed. 243 (S.D. N.Y. 1921).

⁴⁶ *Willys-Overland Co. v. Akron-Overland Tire Co.*, 268 Fed. 151 (Del. 1920), *aff'd*, 273 Fed. 674 (C.C.A. 3d 1921).

⁴⁷ *American Tobacco Co. v. Polacsek*, 170 Fed. 117 (C.C.S.D.Y. 1909).

⁴⁸ *Waltke and Co. v. Schafer and Co.*, 263 Fed. 650 (App. D. C. 1920).

⁴⁹ *Wilcox and White Co. v. Leiser*, 276 Fed. 445 (S.D.N.Y. 1918).

⁵⁰ *Florence Mfg. Co. v. J. C. Dowd and Co.*, 178 Fed. 73 (C.C.A. 2d 1910).

⁵¹ *Potter-Wrightington, Inc. v. Ward Baking Co.*, 288 Fed. 597 (Mass. 1923), *aff'd* 298 Fed. 398 (C.C.A. 1st 1924).

⁵² *Wall v. Rolls-Royce of America*, 4 F. 2d 272 (C.C.A. 2d 1934). Though the result of this case is certainly the correct one the reasoning of the court has been subjected to much criticism. See Lukens, *The Application of the Principles of Unfair Competition to Cases of Dissimilar Products*, 75 U. OF PA. L. REV. 197, 203 (1927) where it is said, "A layman reading the facts of the *Rolls-Royce* case—would instantly say that the defendant's act was unfair. A court comes to the same conclusion as quickly, but to justify its conclusion must employ the far-fetched reasoning that automobiles and radio tubes are related because they both involve the use of electricity, which would lead with equal logic to the conclusion that submarines and pocket flashlights are related products. It is much more certain that the use of the name *Rolls-Royce* for radio tubes is unfair than that radio tubes and automobiles are related products."

⁵³ *Id.* at 200.

⁵⁴ Oates, *Relief in Equity against Unfair Trade Practices of Non-competitors*, 25 ILL. L. REV. 643, 645 (1931).

⁵⁵ *Tiffany and Co. v. Tiffany Productions Inc.*, 147 Misc. 679, 264 N. Y. Supp. 459 (1932), *aff'd* 237 App. Div. 801 (1932), *aff'd* 262 N. Y. 482, 188 N.E. 30 (1933).

⁵⁶ Wolff, *Non-competing Goods in Trademark Law*, 37 COL. L. REV. 582 (1937).

⁵⁷ See note 15 *supra*. Also see *Vick Chemical Co. v. Vick Medicine Co.*, 8 F. 2d 49 (S.D. Ga. 1925).

At the same time the courts relaxed the strict territorial requirements and in order to forestall any possibility of injury to the plaintiff began to grant re-

fundamental principle of the law of unfair competition, *viz.*, that a man's continued enjoyment of his trade reputation and the good will flowing therefrom should be protected.⁵⁸ Under the modern, liberal view injunctive relief has been granted in cases concerning such dissimilar and unrelated products as jewelry and motion pictures,⁵⁹ drugs and cigars,⁶⁰ pipes and shirts,⁶¹ food and radios,⁶² fountain pens and razor blades,⁶³ mineral oil and figs,⁶⁴ food and a cleaning and dyeing business,⁶⁵ and locks and flashlights.⁶⁶ Even more directly in point with the subject case is *Vogue Co. v. Thompson-Hudson Co.*,⁶⁷ and *Esquire, Inc. v. Esquire Bar*.⁶⁸ In the *Vogue* case the publisher of "Vogue," a ladies' fashion magazine, was held entitled to restrain the use of its tradename as a label on defendant's hats. In the *Esquire* case, the publisher of "Esquire," a gentlemen's fashion magazine, was held entitled to injunctive relief from the use of its tradename as the name for defendant's bar. In both cases the element of real competition was lacking for obviously the publisher of "Vogue" could not lose the sale of a hat to the defendant, nor could the publisher of "Esquire" lose the sale of a highball. But, in both cases, a secondary meaning having been established, the plaintiffs stood to lose an interest equally as valuable, namely, the link, even though possibly anonymous, between themselves and their consumers, which has been established through their ingenuity and the merits of their wares or services.⁶⁹ As has been indicated by an eminent writer in the field,⁷⁰ since the function of a tradename is to bring to the public mind the article of the maker, any conduct or use of the name which makes it less unique

lief under a theory which seems to include territory coextensive with the plaintiff's reputation regardless of whether the plaintiff engages in user in such territory. *Buckspan v. Hudson's Bay Co.*, 22 F. 2d 721 (C.C.A. 5th 1927); *Terminal Barber Shops v. Zoeborg*, 28 F. 2d 807 (C.C.A. 2d 1928); *Vogue Co. v. Thompson-Hudson Co.*, 300 Fed. 509 (C.C.A. 6th 1924); *Wall v. Rolls-Royce of America*, 4 F. 2d 333 (C.C.A. 3d 1925).

⁵⁸ *Elgin National Watch Co. v. Ill. Watch Case Co.*, 179 U. S. 665 (1901); *Merriam v. Saalfield*, 198 Fed. 369 (C.C.A. 6th 1912). See NIMS, *op. cit. supra* note 36, at 389.

⁵⁹ *Tiffany and Co. v. Tiffany Productions Inc.*, 147 Misc. 679, 264 N. Y. Supp. 459 (1932), *aff'd* 237 App. Div. 801 (1932), *aff'd* 262 N. Y. 482, 188 N. E. 30 (1933).

⁶⁰ *Peninsular Chemical Co. v. Levinson*, 247 Fed. 658 (C.C.A. 6th 1917).

⁶¹ *Alfred Dunhill of London, Inc. v. Dunhill Shirt Shop*, 3 F. Supp. 487 (S.D.N.Y. 1929).

⁶² *Great Atlantic and Pacific Tea Co. v. A. & P. Radio Stores, Inc.*, 20 F. Supp. 703 (E. D. Pa. 1937).

⁶³ *L. E. Waterman Co. v. Gordon*, 72 F. 2d 272 (C.C.A. 2d 1934).

⁶⁴ *Standard Oil Co. v. California Peach and Fig Growers*, 28 F. 2d 283 (Del. 1928).

⁶⁵ *Great Atlantic and Pacific Tea Co. v. A. & P. Cleaners and Dyers*, 10 F. Supp. 450 (W. D. Pa. 1934).

⁶⁶ *Yale Electric Corp. v. Robertson*, 26 F. 2d 972 (C.C.A. 2d 1928).

⁶⁷ 300 Fed. 509 (C.C.A. 6th 1924).

⁶⁸ 37 F. Supp. 875 (S. D. Fla. 1941).

⁶⁹ *Schechter*, *supra* note 38 at 833.

⁷⁰ *Id* at 813.

and distinctive lessens to that extent the likelihood of its suggesting the article so named to the public conscience. As such a reduction in distinctiveness is harmful whether the name be used on a related or entirely different product, equity should prevent such use or else the name will ultimately become entirely colorless. It is this gradual whittling away of the identity and hold upon the public mind of the plaintiff's tradename, and the resultant dilution of its selling powers, by constant use in connection with non-competing goods, that the court is attempting to prohibit in the *Vogue* and *Esquire* cases.⁷¹ The court's objective was the same in the subject case where it was greatly aided by the additional competitive situation created by the plaintiff's sales promotion program for dresses which had been advertised in its magazine.

The result of a contrary rule would be a failure of the law to cope with the constantly developing ingenuity of the trade parasite.⁷² During the days of the early development of the law of unfair competition the methods of merchandising articles of commerce were such that comparatively little, if any, damage would follow the appropriation of a tradename, even in a primary sense, by a non-competitor.⁷³ Today, when millions are spent annually in national advertising to create and maintain far reaching reputation in a tradename, the courts are presented with an entirely different problem which taxes the adaptability of the old rules, too often narrowly expressed. The problem can be satisfactorily met only by keeping the principles of the law of unfair competition elastic by tempering them with "good conscience" and "judicial sensibilities" in their application.

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⁷¹ Note, 86 U. OF PA. L. REV. 444, 446 (1938).

⁷² See Rogers, *The Ingenuity of the Infringer and the Courts*, 11 MICH. L. REV. 358 (1913).

⁷³ Oates, *supra* note 54 at 644.