ATLANTIC MILLING CO. *v.* ROBINSON AND OTHERS.

Circuit Court, S. D. New York. May 6, 1884.

1. TRADE-MARK—RIGHT TO THE SYMBOL INSEPARABLE FROM RIGHT TO SELL COMMODITY.

The right to the exclusive use of a word or symbol as a trade-mark is inseparable from the right to make and sell the commodity which it has been appropriated to designate.

2. SAME—MAY BE PECULIAR TO A FACTORY AND PASS WITH IT.

A trade-mark may be appropriated by a manufacturing company as well as an individual, and pass with the property to their successors.

3. SAME—MEASURE OF DAMAGES.

The measure of damages is limited by the extent to which the unlawful use of the design by the defendant has interfered with the sale of plaintiff's commodity.

In Equity.

Briesen & Steele, for complainant. *A.* v. *Briesen,* of counsel.

L. H. Arnold, Jr., for defendant Robinson.

Geo. H. Forster, for defendant Rowland.

WALLACE, J. The proofs show that in 1861 the firm of Alexander H. Smith & Co., then the proprietor of the Atlantic mills, at St. Louis, Missouri, adopted the word "Champion," and employed it to distinguish a particular quality of flour made and sold by them. From that time until the present it has been used as a trade-mark dither by that firm or the several firms and corporations that became the proprietors of the property and business of the Atlantic mills. The flour to which it was applied was particularly adapted for the southern export trade, and became generally known and recognized as the production of

the Atlantic mills by the word which was thus used to designate it.

The complainant has not made proof of any formal transfer by Alexander H. Smith & Co. to any of the succeeding proprietors of the Atlantic mills of the right to use the trade-mark; and if complainant has acquired that right it is because it passed upon the purchase of the mill property and business as an accessory thereof to each purchaser who became the proprietor of the premises, including the complainant, without any agreement respecting the trade-mark.

The right to the exclusive use of a word or symbol as a trade-mark is inseparable from the right to make and sell the commodity which it has been appropriated to designate as the production or article of the proprietor. It may be abandoned if the business of the proprietor is abandoned. It may become identified with the place or establishment where the article is manufactured or sold, to which it has been applied, so as to designate and characterize the article as the production of that place or establishment rather than of the proprietor. A trade-mark of this description is of no value to the original proprietor because he could not use it without deception, and therefore would not be protected in its exclusive enjoyment. Such a trade-mark would seem to be an incident to the business of the place or estabment to which it owes its origin, and without which it can have no independent existence. It should be deemed to pass with a transfer, of the business because such an implication is consistent with the character of the transaction and the presumable intention of the parties. *Dixon Crucible Co.* v. *Guggenheim,* 3 Amer. Law T. 228; *Hudson* v. *Osborne,* 39 L. J. Ch. (N. S.) 79; *Shipwright* v. *Clements,* 19 Weekly Rep. 599.

The defendant controverts the right of the complainant to the exclusive use of the word "Champion" as a trade-mark by the testimony 219 of

two witnesses, to the effect that they used it or saw it used as a brand upon flour before it was adopted by Alexander H. Smith & Co. The testimony of the witness Potter fails to show the use of the word, in the instances to which he refers, prior to 1867, and is therefore valueless. The witness Reamey testifies that he used it for branding the flour of nine different firms as long ago as 1857. None of the persons for whom it was so used have been produced, although many of them were accessible. If Reamey's statement is correct it could have been readily corroborated. The failure to do so is significant. His statement is not supported by any extrinsic evidence, and is not deemed sufficiently reliable to defeat the complainant's right.

Upon the accounting to ascertain damages, the fact is not to be overlooked that, in the instances in which the trade-mark has been used by the defendant in connection with the names of other manufacturers than the complainant's, damages are measured by the extent to which the unlawful use of the word "Champion" has interfered with the sale of their flour. Their right to an injunction is not affected because the appropriation of their trade-mark has been a limited one, and it is not incumbent on them to show that it has been copied in every particular. It is sufficient if his trade-mark has been copied to an extent calculated to mislead purchasers, and cause the article to which it has been applied pass as their article. The cases *Gillott* v. *Esterbrook,* 48 N. Y. 374; *Newman* v. *Alvord,* 51 N. Y. 189; *Hier* v. *Abrahams,* 82 N. Y. 519; and *Walton* v. *Crowley,* 3 Blatchf. 440, are instructive upon this point.

A decree is ordered for complainant.