

STERLING REMEDY CO. v. EUREKA CHEMICAL & MANUFACTURING CO.

(Circuit Court of Appeals, Seventh Circuit. May 3, 1897.)

No. 298.

1. TRADE-MARKS—SUBJECTS OF APPROPRIATION—INFRINGEMENT.

"No-To-Bac" is an arbitrary term, which may be appropriated as a trade-mark for a medicine designed to cure the tobacco habit, and is not infringed by "Baco-Curo," used with a similar medicine.

2. SAME—TEST OF INFRINGEMENT.

The test of infringement is whether the alleged infringing article is so dressed that it is likely to deceive persons of ordinary intelligence, in the exercise of the slight care ordinarily bestowed in purchasing an article, to mistake one man's goods for the goods of another.

3. SAME—FORM OF PACKAGE.

The form of tobacco box in common use cannot be exclusively appropriated as a package for the sale of a preparation designed to cure the tobacco habit.

4. SAME—SIMILARITIES AND DISSIMILARITIES.

Where tablets or lozenges made and sold by different parties as a cure for the tobacco habit are so prominently dissimilar in color, size, thickness, weight, odor, and lettering, and in the color and appearance of the labels on the packages, that purchasers exercising even slight care would not be likely to select one article for the other, there is no infringement. 70 Fed. 704, affirmed.

Appeal from the Circuit Court of the United States for the Western District of Wisconsin.

The Sterling Remedy Company, the appellant, filed its bill against the Eureka Chemical & Manufacturing Company to restrain the alleged infringement of a trade-mark, and also upon the ground of unfair competition in trade. The appellant manufactures and deals in a so-called remedy or cure for the tobacco habit, which is sold under the trade-mark "No-To-Bac." The remedy is prepared in the form of a lozenge or tablet, and is contained in an ordinary tin tobacco box. The lozenge or tablet is round, of a light, greyish hue, with the designation or trade-mark of "No-To-Bac" in large raised letters upon one side and forming part of the lozenge. The covering of the box is of a dark red ground, and has printed upon the upper side, in black letters, the following: "No-To-Bac. Trade-mark registered. Is a Positive and Permanent Cure for the Tobacco Habit in every form. It is Nature's Own Remedy. It is entirely harmless, being of vegetable origin. It will build up, fortify, and rejuvenate the weak and unstrung nerves, and eradicate the poisonous nicotine from the system. It will increase the appetite and digestive power, enrich and purify the blood. From ONE to THREE BOXES guaranteed to cure any case, if used as directed. PRICE, \$1.00. Made only by the STERLING REMEDY COMPANY, Indiana Mineral Springs, Warren Co., Indiana. Chicago office, 45 and 47 Randolph St."

On the reverse side is the following:

"Directions for the use of NO-TO-BAC. CURE FOR THE TOBACCO HABIT IN EVERY FORM. Immediately discontinue the use of TOBACCO, and use 7 to 10 tablets a day by placing them in the mouth, and allowing the tablet to gradually dissolve before swallowing. In this way you get the prolonged action of No-to-bac upon the secretive glands of the mouth. During treatment the bowels should be kept open. One or two free actions EVERY day will greatly assist the medicine in expelling the nicotine from the system. CONTINUE THE USE OF NO-TO-BAC until the desire for tobacco and its effects upon the system are completely eradicated. Patients writing about their case and asking advice, etc., must inclose stamp for reply. Address THE STERLING REMEDY COMPANY, Indiana Mineral Springs, Warren Co., Ind. Chicago office, 45 and 47 Randolph St."

This box is sealed with a sealing label of reddish pink, having upon it the complainant's name in script letters, and the following printed thereon: "Not

genuine unless signed by The Sterling Remedy Co. Chicago, New York, Montreal. Laboratory, Indiana Mineral Springs, Ind."

The appellant at one time used a wire rack, adapted to hold three boxes arranged in a triangular form together with a show card; these racks being used principally by retail dealers in the article. It also used and distributed a booklet containing descriptive matter calling attention to the article and to its merits as a cure, and containing fac simile representations in black and white of the box in which the remedy was packed, and of the imprint and of the label for sealing and of the wire rack.

The answer of the appellee admits that since the 1st day of July, 1894, it has prepared and put upon the market and sold a certain other alleged remedy or cure for the so-called "tobacco habit," which preparation is put up and sold in an ordinary tin tobacco box of the same form and size as that of the complainant. The article is also in the form of a tablet or lozenge, of dark brown or black color, somewhat smaller than the lozenge manufactured by the complainant, and of less weight, and without any trade-name thereon. The defendant's lozenge has a strong odor of licorice; the complainant's lozenge is nearly or quite odorless. The imprint of the label upon the defendant's box is green upon a white ground. Upon the top of the box is printed the following:

"BACO-CURO. Trade-Mark. A SCIENTIFIC, RELIABLE, AND HARMLESS CURE FOR THE TOBACCO HABIT IN EVERY FORM. It builds up the system, enriches the blood, tones up the stomach, and increases the appetite and digestive power. It cures tobacco dyspepsia that so many tobacco users suffer with. Makes weak, nervous men strong and vigorous. Good, sound, refreshing sleep and a decided gain in weight and general health follows the first few days' use. We guarantee to cure any case with from one to three boxes. Price \$1.00. Prepared only at the laboratory of EUREKA CHEMICAL & MFG. CO., La Crosse, Wis., U. S. A. Read bottom of box."

Upon the reverse side are the following directions:

"DON'T STOP TOBACCO when you begin taking a cure, AND DON'T BE IMPOSED UPON by buying a remedy that requires you to do so. Any person can stop short on tobacco, and take a piece of gum or a cough drop in his mouth, every hour or two, as a substitute, and by keeping the bowels open, to more quickly work the nicotine out of the system, can practically cure himself, as well as by taking some so-called cures that require this mode of treatment. But it requires a strong will power to stay cured, as you always remember tobacco with a relish, and it will take years to outgrow the desire for it. BACO-CURO does not require you to stop tobacco when you begin the treatment. IT WILL NOTIFY YOU WHEN TO STOP. Your desire for tobacco will cease, and it causes you to remember it with disgust, not a relish, as other so-called cures do. You don't care for tobacco any more than before you commenced using it. BACO-CURO does not rely upon your own will power to cure you, it does its work unaided, and leaves your system as pure and free from nicotine as the day before you took your first chew or smoke. BACO-CURO is compounded after the formula of an eminent German physician, who has prescribed it in his private practice since 1872 to hundreds of cases without a single failure, when directions have been followed. This formula is controlled exclusively by us in North and South America. Prepared only at the laboratory of EUREKA CHEMICAL & MFG. CO., La Crosse, Wis. U. S. A. Directions inside."

The sealing label on the box has the following, the name being in script, but much heavier in design than that on the sealing label of the appellant: "None genuine without *Eureka Chemical & Mfg. Co.* This signature."

There was given considerable evidence tending to show that in the transactions between the defendant and its agents circulars similar in character to those of the complainant were used, and contracts with agents were of a similar nature with those used by the complainant. The hearing was had upon stipulation that the cause should be presented upon bill and answer "and upon such affidavits as the parties might see fit to produce, except that—First, no affidavits or testimony of any kind are to be produced on either side tending to show specific instances of failure to comply with the respective guaranties of the parties; and, second, that no affidavits or testimony of any kind shall be introduced tending to show that either of the remedies, that of the complainant or that of the defendant, is what is called a 'quack medicine,' or in relation to

the character or efficiency of such remedies." Copies of the affidavits were to be served upon the opposite parties by a specified date. At the hearing a large number of ex parte affidavits were presented, and the bill was dismissed upon its merits.

W. D. Tarrant and Thomas Kroushage, for appellant.

G. M. Woodward, for appellee.

Before WOODS, JENKINS, and SHOWALTER, Circuit Judges.

JENKINS, Circuit Judge (after stating the facts as above). We entertain no doubt that the term "No-To-Bac" is an arbitrary term which may be appropriated as a trade-mark and that it has been so appropriated by the appellant here. Nor do we doubt that the term "Baco-Curo" is also an arbitrary term, which may be, and has been, appropriated by the defendant. We do not think that these terms are idem sonans, or that the one infringes the other. The test is whether the supposed infringing article is so dressed that it is likely to deceive persons of ordinary intelligence, in the exercise of the slight care ordinarily bestowed, purchasing an article, to mistake one man's good for the goods of another. It is elementary that one may not exclusively appropriate the size and shape of a package. The ordinary form of a tobacco box in common use in many portions of the country was appropriately adopted by complainant for a supposed remedy for the tobacco habit, but the complainant has no right to its exclusive use. The fact of such use by another in the manufacture and sale of a similar compound for the like purpose may be a circumstance which enters into the question of unfair trade, which we are not now considering. The labels here are prominently dissimilar in color, and are not likely to be mistaken by one who has been accustomed to the use of the remedy. The same is true with respect to the tablets or lozenges. They are in marked contrast in color, size, thickness, weight, odor, and lettering. Indeed, there is no evidence in this record, nor is it seriously contended, that any one who had used the one compound had ever been misled, or is likely to be misled, to purchase the other. This is met on the part of the appellant by the suggestion that the article is a guaranteed cure for a particular purpose, and, once employed, it will never be employed again, whether it cures or not; that its use as a remedy, if it be all that is claimed for it, does not conduce to repeated sales to the same person; and that from its nature the public loses the opportunity to familiarize itself with the appearance of the package. This may be true, and yet the fact could not alter the law of trade-marks, in which light we are now considering the case. The distinctions here are so glaring that we are unable to say that a proposing purchaser exercising only the slight care which is required would be likely to select one article for the other. Nor does the evidence establish that a purchaser has been so mistaken.

In *Pillsbury v. Mills Co.*, 24 U. S. App. 395, 12 C. C. A. 432, and 64 Fed. 841, we had occasion to consider at length the subject of unfair competition in trade, and to declare the principle upon which the doctrine rests. We there said that no man had a right to dress himself in the colors adopted by another for the purpose of palming off his goods as the goods of that other. It only remains to determine whether the evidence here brings this case within the principle declared.

It is perhaps unfortunate that this cause should have been submitted by stipulation upon *ex parte* affidavits, which are far from satisfactory. *Standard Elevator Co. v. Crane Elevator Co.*, 9 U. S. App. 556, 559, 6 C. C. A. 100, and 56 Fed. 718. The part of the stipulation so providing does not seem to be characterized with the caution and worldly wisdom which marks the remainder of the stipulation that no evidence should be introduced tending to show that the so-called "remedies" in question are known as "quack medicines," or tending to show the efficiency of these remedies. We have carefully considered the evidence, and are not satisfied that within the doctrine established there can here be said to be unfair competition in trade. Having reached the conclusion that the alleged infringing article is not likely, by reason of similarity in dress, to be taken by an intending purchaser for the tablets sold by the appellant, there remains but little to be said upon this branch of the case, because deception of the public must be present, and is the chief element in the problem. No one, of course, has the right unfairly to appropriate another's business and good will. It is, however, true that competition is the life of trade, and that legitimate competition should be encouraged for the public good. The evidence here establishes that the form of this box is in use in the trade of the druggist for a variety of articles; that the easel or rack which was adopted was likewise in general use for the display of articles, and that the use of it had been discontinued by the complainant. There would seem to have been a few instances of confusion, such as the sending of letters by druggists intended for one party to the other. Such mistakes occur in every business, and are not sufficient to indicate that there was here intentional or actual piracy upon the rights of the complainant. That a retail dealer might supply an intending purchaser, ignorant of the peculiar dressing of either, with the one remedy when the other was demanded or desired, does not establish a case of piracy. That might result from the act, ignorant or willful, of the retail dealer, without the knowledge or concurrence of the proprietor of the article; or it might come about from inattention by the proposing purchaser in respect to the particular manufacture he desired. With respect to articles placed upon the market for sale, it is only when the one article is dressed so as to represent the other, and to deceive a proposing purchaser as being that other, that there can be said to be a case of unfair trade. It would not be profitable to enter into any extended examination of this testimony. It is sufficient to say that both parties have the right to embark in this trade; each has the right to put forth every legitimate effort to increase its sales, even at the expense of its rival, so long as it refrains from representing itself as the rival concern, or from representing its goods as the goods of the rival concern. There is no evidence that the defendant has ever so represented or sold its goods, or that it has "knowingly put into the hands of the retail dealers the means of deceiving the ultimate purchasers." It rests its right to patronage upon the supposed efficiency of its compound, and because of the fact that, in contradistinction to its rival, it insists that during the time of taking the supposed remedy the patient should not discontinue the use of tobacco; the complainant requiring that he should. In this, we think, the defendant has the decided advantage, because

it does not insist upon the exercise of the will, but cures, or professes to cure, in despite of the will. Therein it strikes "a great popular chord," in that it enables one to indulge a habit of which he desires to be rid while partaking of the cure. An easy road to health will always be as popular as an easy road to wealth. This consideration, coupled with judicious advertising, may possibly account for the alleged large sales of the remedy of the appellee and the alleged diminished sales of the remedy of the appellant. At all events, this is a distinguishing characteristic claimed for the remedy of the appellee that brings into bold relief the fact that the appellee is a rival of the appellant, and not a counterfeiter of its goods. We think the court below was not in error in dismissing the bill.

Decree affirmed.

TRUMAN v. DEERE IMPLEMENT CO.

TRUMAN v. HOLMES et al.

(Circuit Court, N. D. California. February 23, 1897.)

1. PATENTS—CONSTRUCTION.

A patentee cannot insist on the construction of his patent which will include what he was expressly required to abandon as a condition of the grant, even if this takes away a part of the real invention.

2. SAME—BREAKING-CARTS.

The Putnam patent, No. 232,207, for an improvement in breaking-carts, is confined by the language of the claim and the patentee's acquiescence in amendments required by the patent office to a cart in which the foot-board is sustained below the shafts by straps passing beneath the axle.

Copy of file wrapper and contents in the matter of the patent granted De Witt C. Putnam, September 14, 1880, No. 232,207:

Department of the Interior, United States Patent Office.

To All Persons to Whom These Presents Shall Come, Greeting: This is to certify that the annexed is a true copy from the records of this office of the file wrapper and contents in the matter of the letters patent granted De Witt C. Putnam, September 14, 1880, Number 232,207, for improvement in breaking-carts. In testimony whereof I, John S. Seymour, commissioner of patents, have caused the seal of the patent office to be affixed this 6th day of September, in the year of our Lord one thousand eight hundred and ninety-three, and of the independence of the United States the one hundred and eighteenth.

[Seal.]

John S. Seymour, Commissioner.

Petition.

To the Commissioner of Patents: Your petitioner, De Witt C. Putnam, of Petaluma, Sonoma Co., Cal., prays that a patent may be granted to him for the invention set forth in the annexed specification. And he further prays that you will recognize Dewey & Co., San Francisco, Cal. (consisting of A. T. Dewey, W. B. Ewer, and Geo. H. Strong), and A. H. Evans, of Washington, D. C., as his attorneys, hereby appointed to alter or amend the said specification, and to receive the letters patent when issued.

D. W. C. Putnam.

Oath.

City and County of San Francisco, State of California—ss.: On this twenty-fourth day of April, 1880, before the subscriber, personally appeared the within named De Witt C. Putnam, and made solemn oath that he verily believes himself to be the original, first, and sole inventor of the breaking-cart herein described; that he does not know or believe that the same was ever before known