

FRANCK et al. v. FRANK CHICORY CO. et al.

(Circuit Court, E. D. Wisconsin. June 12, 1899.)

UNFAIR COMPETITION—IMITATION OF LABELS—FORM AND COLOR OF PACKAGES.

Complainant is the American branch of a German firm that manufactures a substitute for coffee from chicory, that has had an extensive sale in the United States for many years. Its goods have for 25 years been put up in packages of cylindrical form, inclosed in red paper, labeled as "Franck" chicory, and familiarly known as "Franck's Red Roll Chicory." In 1892 defendant commenced the manufacture and sale of a similar article under the name of "Frank Chicory," put up in packages of the same form, color, and general appearance as complainant's, and which were evidently intended to, and did in fact, deceive purchasers familiar with complainant's goods. Defendant afterwards omitted the name "Frank" from some of its packages, but continued to use the same form and color of package and general design of label. *Held*, that the use of such packages, even as changed, was a continuance of the deception, which constituted unfair competition, and entitled complainant to an injunction restraining defendant from using not only the word "Frank," but also red wrappers or labels substantially identical in color with complainant's.¹

This was a suit in equity for an accounting and an injunction against the use of complainants' trade name and unfair competition by the imitation of complainants' packages.

The following are complainants' exhibits:

Stuttgart 1841. Paris 1867.
Würtemberg 1871. Moskau 1872.

AECHTER

Mien 1873. Litz 1879. Mannheim 1888.
Triest 1882. Huxa 1882.

Zum Zeugnis der Aechtheit von
Unterzeichnet & Schutzmärkte.

36 Preis-Medailien

Schutz-Märke

Amsterdam 1853. Torino 1864.
Rom 1867. Budweis 1889.

FRANCK

Boston 1883. Stuttgart 1890.
Eidelsberg 1892. Chicago 1893.
Berlin 1896 etc.

FRANCK
Aechter
FRANCK

Warnung. Da die Mehrzahl der Fabrikanten unsere Etiquette und vollen Namen nachdrucken, bitten wir auf uns. Unterschr. u. Schutzmarke achten zu wollen.

Heinrich Franck Söhne & Co.

American branch of Heinrich Franck Söhne in Ludwigsburg.
 Besitzer der Fabrik in Deutschland: Ludwigsburg, Herbachs B., Breiten, Espingen, Grossgartach; in der Schweiz: Basel;
 in Italien: Mailand; in Oesterreich: Ungarn: Linz a. D.; in Preussen: Königsberg, Königsbrunn, Kasselau, Agram; in Rumänien:
 Bukarest; in Nordamerika: Newyork — Flushing.


Complainants' Exhibit. Complainant's Label. Packed in Flushing-New-York.

¹ As to unfair competition in trade, see note to Scheuer v. Muller, 20 C. C. A. 165, and, supplementary thereto, note to Lare v. Harper, 30 C. C. A. 376.

Complainants' Exhibit. Defendant's Label A.

Manufactured in America.

Aechter Deutscher
Frank Cichorien.



FRANK CHICORIEN
SCHUTZ MARKE

Frank Chicory Company

Zum Zeugnis der Aechtheit unsere Unterschrift u. Schutzmarke:

Frank Chicory Company
CEDARBURG. WISCONSIN.

Frank Chicory Company

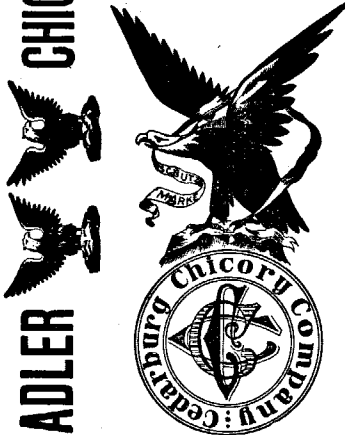
Warnung: Um allen Täuschungen vorzubeugen, setzen wir unsere Unterschrift und Schutzmarke bei, worauf wir gefälligst zu achten bitten.

Complainants' Exhibit. Defendant's Label B.

BESTER ADLER CHICORY

ADLER CHICORY

BESTER ADLER CHICORIEN



ADLER CHICORY

Cedarburg Chicory Company
CEDARBURG WISCONSIN

Zum Zeugnis der Aechtheit unsere Unterschrift und Schutzmarke

Warnung. Um allen Täuschungen vorzubeugen setzen wir unsere Unterschrift und Schutzmarke bei, worauf wir gefälligst zu achten bitten.

Cedarburg Chicory Company

Louis C. Raegenner and W. J. Turner, for complainants.
Bloodgood, Kemper & Bloodgood, for defendants.

SEAMAN, District Judge. The allegations of the bill of complaint are fully sustained by the testimony, and a case of unfair competition in trade is clearly established against the defendants. The facts are substantially as follows: The firm of Heinrich Franck Söhne, of Germany, are manufacturers of chicory as a substitute for coffee, having several factories in Europe. Their establishment dates from about the year 1822, and its business has been extensive and well known for half a century, and their products under the name of "Franck Kaffee," and subsequently of "Franck Chicory," have been sent to all parts of the civilized world. For upwards of 35 years they have had large trade in the United States, and in 1895 established the branch firm of Heinrich Franck Söhne & Co., in this country, at Flushing, L. I., the members of which are complainants in this action. The designation "Kaffee" was abandoned in the United States some years since, to avoid infringement of "pure food" laws in several states, but the names "Franck Chicory," and "Genuine Franck," or "Aechter Franck" (the German equivalent), have been constantly preserved. The packages have been made for upwards of 25 years in cylindrical form, inclosed in red paper, and familiarly known as "Franck's Red Roll Chicory." Under the name of "Franck," and in such livery, the product obtained some degree of popularity among the Germans of Wisconsin, especially at and in the vicinity of Milwaukee, and including Cedarburg, where the defendants' business was established. In 1892 the "Frank Chicory Company" was organized at Cedarburg, and entered upon the manufacture of chicory under that name, in packages which are clearly colorable imitations of the complainants' production. The name of "Frank" is claimed to have been derived from the name of a farmer, who was one of the stockholders, and who raised chicory, although he was neither a principal stockholder nor manager of the business. The president of the defendant company is a grocer, and admits his acquaintance with and dealings in the "complainants' red roll chicory" for 15 or 20 years, and that such color was adopted by his company because it "was the popular color." The name "Frank" was evidently found serviceable, and adopted for the same reason. Subsequently, when the question of infringement was raised, the defendants changed the labels on a portion of their production to read "Cedarburg Chicory Company," instead of "Frank Chicory Company," but preserved the same general appearance, form, and color; and the earlier label was not discontinued in actual use. As it is manifest from the undisputed testimony that the defendants entered the field with the imitation which was both calculated to and did deceive purchasers who were familiar with the complainants' goods, and thus captured the trade of the latter, and the substituted label is a continuation of that deception in its appearance as a whole, I am of opinion that the defendants must be enjoined from the use of either label, and from using on the label the name "Franck" or "Frank" to designate their goods, or to use a label which is so identi-

cal in color as to preserve the deception. It is true that one cannot obtain exclusive trade-mark rights in color or in form of package, but this case is not one solely for enforcement of a trade-mark. It is likewise true that other manufacturers have employed both the peculiar form, and in some instances the same color, but clearly distinguished in other respects from complainants' production. Under the circumstances shown, however, there can be no just relief from the unfair competition without a change in color as well. The defendants must be allowed no advantage out of the trade thus obtained wrongfully, but must establish the reputation of their goods upon merit, and without benefit of the imitation. Decree for the complainants may be prepared accordingly.

SPRAGUE ELECTRIC RAILWAY & MOTOR CO. v. NASSAU ELECTRIC R. CO.

(Circuit Court of Appeals, Second Circuit. May 25, 1899.)

No. 156.

PATENTS—SUIT FOR INFRINGEMENT—PRELIMINARY INJUNCTION.

Where the question of infringement is a doubtful one, and to sustain the claim requires a broader construction of the claims of the patent than has been given in prior adjudications, such question should not be determined on a motion for preliminary injunction.

Appeals from the Circuit Court of the United States for the Eastern District of New York.

Frederic H. Betts, for complainant.

William H. Kenyon, for defendant.

Before WALLACE and SHIPMAN, Circuit Judges.

PER CURIAM. This is an appeal from an order granting a preliminary injunction restraining the defendant from infringing claims 2 and 6 of letters patent No. 324,892, granted August 25, 1885, to Frank J. Sprague, for an improved electric railway motor, and refusing an injunction restraining the infringement of claim 4 of said letters patent. The defendant has appealed from that part of the order granting the injunction, and the complainant has appealed from that part of it refusing one. The appeal presents the question whether the electric railway motor of the defendant, as modified in construction since the decision of this court in the case of Sprague Electric Railway & Motor Co. v. Union Ry. Co., 84 Fed. 641, is an infringement of either of the three claims. When the patent was considered previously by this court, we were of the opinion that it did not embody a primary invention, or one of a broad character, and we referred to the case of Adams Electric Ry. Co. v. Lindell Ry. Co., 40 U. S. App. 482, 23 C. C. A. 223, and 77 Fed. 432, as containing a statement of the prior state of the art. The opinion is a part of the moving papers for present purposes. The prior patent to Finney discloses the principal features of Sprague's