

*Judgement of the Lords of the Judicial Committee
of the Privy Council on the Appeal of Thomas
Somerville for the Firm of Turnbull, junior,
and Somerville v. Paolo Schembri for the Firm
of Schembri and Navarro and Giovanni
Battista Camilleri, from the Court of Appeal
for Malta; delivered 5th March 1887.*

Present:

LORD WATSON.

LORD FITZGERALD.

LORD HOBHOUSE.

SIR BARNES PEACOCK.

SIR RICHARD COUCH.

The Appellant Thomas Somerville, as representing his firm of Turnbull, junior, and Somerville, cigarette makers in Malta, in October 1884 cited the Respondents before the Court of Commerce, to show cause why the property of the trade mark "Kaisar-i-Hind" should not be assigned to him, in his representative capacity, preferably to the Respondents; and why the Respondents should not consequently be restrained from using the said mark in their trade, or in any other manner; and also why they should not be condemned in damages, &c., to be assessed by experts.

The Appellant's firm had, from and after the month of September 1879, used these words "Kaisar-i-Hind" to denote a particular class of their cigarettes, which were sold under that name, not only in Malta, but in the East Indian and Australian markets. Some of these

cigarettes had also been exported to and sold in London. The Respondents, who are Maltese traders in tobacco, did not dispute that, shortly before the institution of these proceedings, they had begun to use the name "Kaisar-i-Hind" in the course of their trade, as applied to cigarettes which were manufactured by "Schembri and "Navarro," or at least to cigarettes which were not the manufacture of "Turnbull, junior, and "Somerville." But they maintained in defence to the action, 1st, that the Appellant's firm had not acquired any exclusive right to the name "Kaisar-i-Hind"; and, 2nd, that they themselves used the name in such a way that it was impossible for a purchaser to suppose that their cigarettes had been manufactured by the Appellant's firm.

In support of the first of these defences, the Respondents made numerous productions, and also examined one witness, Rinaldo Perini, in order to prove that the name "Kaisar-i-Hind" had, for many years before the date of these proceedings, been extensively used in connection with ships, hats, umbrellas, soap, pickles, &c., as well as cigarettes. Part of that evidence, including the testimony of Perini, was adduced after the case had been carried from the Court of Commerce to the First Hall of Her Majesty's Court of Appeal.

The learned Judge of the Court of Commerce, on the 18th November 1884, decided agreeably to the first prayer of the Appellant, with costs, and reserved the decision of the second claim, for damages, until his judgement had become *res judicata*. The effect of that decision was to affirm the absolute right of "Turnbull, junior, and Somerville" to use the trade mark "Kaisar-i-Hind" preferably to the Respondents, and to restrain the Respondents from "using it in their trade, " or assuming it in any other manner."

Upon appeal by the Respondents, the learned Judges of the First Hall reversed the decision of the Court of Commerce, and dismissed the action, as against both Respondents, with costs. The leading consideration assigned for their judgement is, "That it does not appear, from the documents produced by the Plaintiff, that he or others have obtained from any authority the exclusive privilege to the use of the mark 'Kaisar-i-Hind,' whilst, according to the evidence of the above-named Rinaldo Perini at the time he resided in London (from 1866 to about June 1883), there used to be sold in that city cigarettes with that mark, which is also used for other articles, and which was given as a name to ships." The learned Judges were further of opinion that the trade marks used by the parties respectively for their cigarettes, although both included the name "Kaisar-i-Hind," were nevertheless essentially different.

Their Lordships are unable to concur in the decision of the Court of Appeal. In Malta there is no law or statute establishing the registration of trade marks, and no authority exists from whom an exclusive right to a particular trade mark can be obtained. The rights of the parties to this cause are therefore dependent upon the general principles of the commercial law, some of which are referred to in the judgement of the Court of Commerce. These principles have been very fully illustrated and explained by the House of Lords in the "*Leather Cloth Company (Limited) v. American Leather Cloth Company (Limited)*," (XI, H. L. Ca., 538), "*Wotherspoon v. Currie*" (L. R., 5 E. & I. Ap., 508), and "*Johnston & Co. v. Orr, Ewing, & Co.*" (7 App. Ca., 219), all of which were cases which arose before the passing of the first British Trades Mark Registration Act in the year 1875.

In the first of these cases, the interest which a merchant or manufacturer has in the trade mark which he uses was thus defined by Lord Cranworth (XI., H. L. Ca., pp. 533-34),—"The right " which a manufacturer has in his trade mark is " the exclusive right to use it for the purpose " of indicating where, or by whom, or at what " manufactory, the article to which it is affixed " was manufactured." As soon, therefore, as a trade mark has been so employed in the market as to indicate to purchasers that the goods to which it is attached are the manufacture of a particular firm, it becomes, to that extent, the exclusive property of the firm; and no one else has a right to copy it, or even to appropriate any part of it, if by such appropriation unwary purchasers may be induced to believe that they are getting goods which were made by the firm to whom the trade mark belongs. Had it not been for the views expressed by the Court of Appeal in giving judgement, it would hardly have been necessary for their Lordships to observe that the acquisition of an exclusive right to a mark or name in connection with a particular article of commerce cannot entitle the owner of that right to prohibit the use by others of such mark or name in connection with goods of a totally different character; and that such use by others can as little interfere with his acquisition of the right.

In the present case it is beyond dispute that the cigarettes made by the Appellant's firm were favourably known in the markets where they were sold, under the appellation of "Kaisar-i-Hind." The use of the term by others as a name for ships, or as a trade mark for hats, soap, or pickles, could not impede their acquisition of an exclusive right to use it as a trade mark for their cigarettes. The evidence given by Renaldo Perini, regarding the use of the term as a trade

mark for cigarettes, does not appear to their Lordships to be sufficient to cut down the Appellant's right; it is vague and indefinite both as to time, place, and persons; and it is hardly credible that during the whole period of his residence in London the name "Kaisar-i-Hind," which had its origin in the Proclamation of 1877, following upon the Act 39 Vict., cap. 10, should have been in use. Besides, his evidence is at variance with the testimony of Nicholas Cooper Morris, who dealt in cigarettes in London, and must presumably have known what was sold in the London market.

The real question, therefore, comes to be whether the Respondents have infringed the Appellant's exclusive right; and that question, as Lord Kingsdown said, in the Leather Cloth Company's case (XI., H. L. Ca., 539), depends upon "how far the Defendants' trade mark bears "such a resemblance to that of the Plaintiffs as to "be calculated to deceive incautious purchasers." Upon this part of the case their Lordships entertain no doubt. Schembri and Navarro put up their cigarettes for sale in boxes of the same size and shape with those used in their trade by the Appellant's firm, and the device on the lid of each box is an exact copy of that firm's label, with one or two colourable variations. Whilst retaining all the essential features of the label, the Respondents have introduced certain *differentiæ* which may very fairly be described in the language used by Lord Blackburn in *Johnson & Co. v. Orr Ewing & Co.* "These are differences "which might prevent purchasers being de- "ceived. I do not think they are such as to "prevent its being likely that they would be "deceived." In that state of the facts, it is not necessary to the Appellant's success that the

Respondents should have intended to mislead ; but their Lordships agree with the Judge of the Court of Commerce in thinking that it is impossible to acquit them of that intention.

It appears to their Lordships that the decree of the Court of Commerce is couched in terms somewhat too wide, and that it ought to have been confined to an injunction such as the English Courts were in use to grant in similar cases. Their Lordships will accordingly advise Her Majesty to reverse the judgement of the Court of Appeal, and also to reverse the judgement of the Court of Commerce, except in so far as it reserves the decision of the Appellant's second claim ; and to restrain the Respondents or either of them from using the label or device upon the lid of Schembri and Navarro's boxes produced in process, and referred to in the judgement of the Court of Commerce, or any similar label or device, and also from using the name or trade mark "Kaisar-i-Hind" in connection with any cigarettes other than those manufactured by the Appellant's firm, so as to represent or induce the belief that any such cigarettes were manufactured by the said firm. Their Lordships will also advise Her Majesty that the Respondent Paolo Schembri, who, as representing his firm of Schembri and Navarro, appears to have taken the leading part in this litigation, ought to pay the costs of the Appellant in both Courts below. The same Respondent must pay the costs of this appeal.
