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TORTS—UNFAIR COMPETITION—INJUNCTION GRANTED TO PREVENT ONE FROM USING HIS SURNAME IN OWN BUSINESS

The Findlay art business, founded in 1870, included a Chicago branch managed by Wally Findlay and a New York City branch established and managed by his brother David at 11-13 East 57th Street. After a dispute, the brothers separated and Wally purchased the Chicago branch as well as the right to use the name "Findlay Galleries" in Chicago. David continued to operate his New York gallery, where he developed a respected reputation for "Findlay Galleries" and "Findlay's on 57th Street." In October 1963, Wally purchased the premises next door to David at 17 East 57th Street, and announced his intention to open another gallery. In September 1964, Wally erected large signs announcing the imminent opening of "Wally Findlay Galleries" affiliated with "Findlay Galleries, Inc." David immediately sought an injunction. Nevertheless, Wally proceeded with the gallery opening and erected a sidewalk canopy bearing the announced names. The trial court found that Wally's actions resulted in great trade and public confusion, and awarded the injunction "restraining defendants from using the name or names 'Wally Findlay Galleries,' 'Findlay Galleries' or any other style or designation incorporating the name 'Findlay' in connection with the operation of defendant's gallery on East 57th Street."¹ Defendant appealed by permission from a unanimous affirmance by the Appellate Division;² *held*, affirmed, three judges dissenting. The bona fides of a defendant's actions are immaterial; fraud or deliberate intention to deceive or mislead the public are not necessary elements of a cause of action for an injunction to prevent use of a trade name. The confusion of the public and the diversion of plaintiff's business are determinative. *David B. Findlay, Inc. v. Findlay*, 18 N.Y.2d 12, 218 N.E.2d 531, 271 N.Y.S.2d 652, *motion to amend remittitur granted*, 18 N.Y.2d 676, 219 N.E.2d 872, 273 N.Y.S.2d 422 (1966).³

The United States Supreme Court, in the leading case of *Brown Chem. Co. v. Meyer*, stated that "a man's name is his own property, and he has the same right to its use and enjoyment as he has to that of any other species of property."⁴ The Court held that a person cannot monopolize an ordinary surname to prevent its legitimate use by others of the same name. This was the beginning of the "sacred right" theory in one's use of his own name as a business name, which has been followed by the courts in the vast majority of

1. *David B. Findlay, Inc. v. Findlay*, 47 Misc. 2d 649, 658, 262 N.Y.S.2d 1008, 1017 (Sup. Ct. 1965).

2. *David B. Findlay, Inc. v. Findlay*, 23 A.D.2d 846, 259 N.Y.S.2d 1010 (1st Dep't 1965).

3. Remittitur was returned and amended. Defendant contended that the United States Constitution guarantees the right of every man to use his own name in his own business, and further, that the Constitution and the laws of the United States prevent a state from limiting such right in the absence of a palming off of goods of one man as those of another. The Court held there was no violation of defendant's constitutional rights.

4. 139 U.S. 540, 544 (1891).

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states.⁵ This theory has been applied to contractions of a family name,⁶ as well as to the whole or a part of a corporate name.⁷ In *Singer Mfg. Co. v. June Mfg. Co.*,⁸ the "sacred right" theory was applied to business interference between parties using the same name. This absolute or sacred right, however, has been limited by both state and federal courts. The United States Supreme Court has stated the general rule that a person while possessing a surname in common with another "cannot resort to any artifice or do any act calculated to mislead the public . . . and thus produce injury to the other beyond that which results from the similarity of the name."⁹ This rule states the requirement that in cases of unfair competition, the confusion must be aggravated by something more than the confusion that flows from similar names.¹⁰ Typically this additional element is a fraudulent intent,¹¹ or an intent to "steal another's trade,"¹² or to capitalize on another's extensive advertising and reputation,¹³ or to mislead the public into believing it is purchasing the goods of another,¹⁴ *i.e.*, palming off goods as those of another.¹⁵ Under such circumstances, the subsequent user of the same surname will be enjoined.¹⁶ In a "classic, but often neglected statement of the basic rule of personal names,"¹⁷ it was stated that:

While it is true that every man has the right to use his own name in his own business, it is also true that he has no right to use it for the

5. See generally Annots., 47 A.L.R. 1189 (1927); 44 A.L.R.2d 1156 (1955); see also *Hilton v. Hilton*, 89 N.J. Eq. 182, 104 Atl. 375 (1918) (right guaranteed by N.J. Const. art. 1, § 1).

6. *Kay Jewelry Co. v. Morris*, 26 Tenn. App. 285, 171 S.W.2d 410 (1942).

7. *Howe Scale Co. v. Wyckoff, Seamans & Benedict*, 198 U.S. 118 (1905); *accord*, *Stern Furniture Co. v. Stern*, 52 Ohio L. Abs. 527, 83 N.E.2d 804 (Ct. App. 1948).

8. 163 U.S. 169 (1896): "[E]veryone has the absolute right to use his own name honestly in his own business, even though he may thereby incidentally interfere with and injure the business of another having the same name. In such case the inconvenience or loss to which those having a common right are subjected is *damnum absque injuria*." *Id.* at 187; *accord*, *Ida May Co. v. Ensign*, 20 Cal. App. 2d 339, 66 P.2d 727 (1937).

9. *Singer Mfg. Co. v. June Mfg. Co.*, 163 U.S. 169, 187 (1896).

10. *Benrose Fabrics Corp. v. Rosenstein*, 183 F.2d 355 (7th Cir. 1950); *Carl Springer, Inc. v. Carl Springer Supply Co.*, 34 Del. Ch. 374, 104 A.2d 637 (1954); *Flora v. Flora Shirt Co.*, 141 Okl. 58, 283 Pac. 1013 (1930).

11. *Brown Chemical Co. v. Meyer*, 139 U.S. 540 (1891); See generally *Handler & Pickett, Trade-Marks and Trade-Names—An Analysis and Synthesis: II*, 30 Colum. L. Rev. 759 (1930) (fraud is the essence of the wrong).

12. *A. Weiskittel & Son Co. v. Harry C. Weiskittel Co.*, 167 Md. 306, 173 Atl. 48 (1934); *accord*, *Schwartz v. Schwartz*, 93 Cal. App. 252, 269 Pac. 755 (1928).

13. *E. & J. Gallo Winery v. Gallo*, 87 F. Supp. 433 (N.E. Ohio, E.D. 1949); *accord*, *De Nobili Cigar Co. v. Nobile Cigar Co.*, 56 F.2d 324 (1st Cir. 1932).

14. *J.B. Liebman & Co. v. Liebman*, 135 N.J. Eq. 288, 38 A.2d 187 (1944).

15. *Jackman v. Mau*, 78 Cal. App. 2d 234, 177 P.2d 599 (1947); *accord*, *Morton v. Morton*, 148 Cal. 142, 82 Pac. 664 (1905).

16. *McCoy v. McCoy*, 60 Ohio L. Abs. 253, 98 N.E.2d 435 (Ohio C.P. 1951);

Thus a subsequent user of the same family name can be enjoined from using it in the same business in the case of deception, artifice, fraud, contract, estoppel or an attempt to pass off his business as the business of the prior user of the name. . . . [T]he normal presumption is that the use of one's own name is an honest use. *Id.* at 255, 98 N.E.2d at 437. For estoppel, see *Lamb Knit-Goods Co. v. Lamb Glove & Mitten Co.*, 120 Mich. 159, 78 N.W. 1072 (1899); *accord*, *Brooks v. Heartfield*, 2 S.W.2d 510 (Tex. Civ. App. 1928).

17. 1 Nims, *Unfair Competition and Trade-Marks* § 67, at 192 (4th ed. 1947).

purpose of stealing the good-will of his neighbor's business, nor to commit a fraud upon his neighbor, nor a trespass upon his neighbor's rights or property; and, while it is true that every man has the right to use white paper, it is also true that he has no right to use it for making counterfeit money, nor to commit a forgery.¹⁸

Thus, the courts have normally required a showing of defendant's subjective intent as a condition precedent to relief. A person may deprive himself by contract of the right to use his own name,¹⁹ but such an intention to divest will not be presumed, and must be clearly shown.²⁰ Another important exception to the principle that a person is entitled to the honest use of his own name in business, is when a prior user's name has acquired a secondary meaning,²¹ that is, a name becomes so identified with a certain product that the owner thereof will be protected in its use.²² Although such identification need not be universal, the name must be so identified by a substantial portion of the buying public in a particular area.²³

An injunction is the proper remedy to protect against unfair use, simulation or imitation of a surname.²⁴ The injunction, however, will be qualified or limited in scope to prevent only those uses creating public confusion, so as to not unreasonably restrict all use of the name in business.²⁵ Before an injunction will issue, however, proof must be presented to overcome the presumption of an honest use of one's own name.²⁶ Thus, the plaintiff will be required to show that the defendant intended to benefit from the identity or similarity of names,²⁷ although it should be noted that this is not necessary in cases of trade-mark infringement.²⁸ Proof of intent may be actual or construc-

18. *Garrett v. T.H. Garrett & Co.*, 78 Fed. 472, 478 (6th Cir. 1896).

19. *Ralph Bros. Furniture Co. v. Ralph*, 338 Pa. 360, 12 A.2d 573 (1940); *accord*, *Madison v. La Sene*, 44 Wash. 2d 546, 268 P.2d 1006 (1954).

20. *F.T. Blanchard Co. v. Simon*, 104 Va. 209, 51 S.E. 222 (1905).

21. *McCoy v. McCoy*, 60 Ohio L. Abs. 253, 98 N.E.2d 435 (Ohio C.P. 1951). A secondary or additional meaning attaches to a name when "through use of that name in a particular kind of business in a particular area, that name, in the mind of the public, has come to be identified or associated with a particular owner's business." *Id.* at 255, 98 N.E.2d at 437.

22. *Brown Sheet Iron & Steel Co. v. Brown Steel Tank Co.*, 198 Minn. 276, 269 N.W. 633 (1936); *accord*, *Hoyt Heater Co. v. Hoyt*, 68 Cal. App. 2d 523, 157 P.2d 657 (1945); *Aetna Mill & Elevator Co. v. Kramer Milling Co.*, 82 Kan. 679, 109 Pac. 692 (1910); *Wright Restaurant Co. v. Seattle Restaurant Co.*, 67 Wash. 690, 122 Pac. 348 (1912).

23. *Brown Sheet Iron & Steel Co.*, *supra* note 22. "The test is whether the similarity [of names] is such as would deceive the ordinary customer." *Id.* at 278-9, 269 N.W. at 635.

24. See generally 3 Callmann, *Unfair Competition and Trade-Marks* § 86, at 1719 (2d ed. 1950) [hereinafter cited Callmann].

25. *Handler & Pickett, Trade-Marks and Trade-Names—An Analysis and Synthesis: I*, 30 Colum. L. Rev. 168 (1930): "[T]he mere fact that the defendant is a late-comer is enough to put him under a disability." *Id.* at 198.

26. *A. Weiskittel & Son Co. v. Harry C. Weiskittel Co.*, 167 Md. 306, 173 Atl. 48 (1934).

27. *Zephyr Am. Corp. v. Bates Mfg. Co.*, 59 F. Supp. 573 (D.N.J. 1945): "The gist of the action is . . . the doing of a wrongful act with an evil design." *Id.* at 575.

28. *Thaddeus Davids Co. v. Davids Mfg. Co.*, 233 U.S. 461 (1914). "While in a case for unfair competition it may be necessary to show intent to deceive the public, in a case for violation of a properly registered trade-mark it is not necessary to show wrongful intent

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tive,²⁹ although a showing of an actual deception is not required where a "reasonable probability of such deception exists";³⁰ or where the natural and necessary consequence,³¹ or the necessary and probable tendency of the conduct is to deceive the public.³² Whether such tendency exists must be resolved from the standpoint of "ordinary purchasers."³³

In New York, "a person cannot make a trade mark of his own name, and thus obtain a monopoly of it which will debar all other persons of the same name from using their own names in their own businesses." Such was the holding in the leading trade-name case of *Meneely v. Meneely*.³⁴ Thus in New York, the right of a person to use his own name in business has become established as a "natural right," which cannot be lost by a simple prior use by another person of the same name.³⁵ Despite this natural right, however, the courts will enjoin a party from using his surname in business where the party has not acted honestly and has sought "to destroy the plaintiff and through fraud and deceit to deprive it of a property right."³⁶ Again, as in other jurisdictions, the New York courts require proof of the defendant's subjective intent to take unfair advantage of the identity or similarity of names, although not clearly expressing this requirement.³⁷ Thus, relief can be obtained where the defendant seeks to acquire for himself the reputation built up by another,³⁸ or to capitalize upon the name and good-will with the intent to deceive the public,³⁹ or mislead the public,⁴⁰ or even when it is only clear upon the facts that public confusion is likely.⁴¹ Relief also is granted where there is any "artifice or deceit, designed

or facts justifying an inference of such intent." *Id.* at 471. See generally *Gamlin Chem. Co. v. Gamlin*, 79 F. Supp. 622 (E.D. Pa. 1948).

29. *Visser v. Macres*, 214 Cal. App. 2d 249, 29 Cal. Rptr. 367 (1963) (Deliberate use of a name to deceive the public held a constructive fraud.).

30. *Jays Inc. v. Jay Originals Inc.*, 321 Mass. 737, 740, 75 N.E.2d 514, 516 (1947); *accord*, *Norton v. Chioda*, 317 Mass. 446, 58 N.E.2d 828 (1945).

31. *Dodge Stationery Co. v. Dodge*, 145 Cal. 380, 78 Pac. 879 (1904).

32. *J. B. Liebman & Co. v. Liebman*, 135 N.J. Eq. 288, 38 A.2d 187 (1944).

33. *Ibid.*

34. 62 N.Y. 427, 432, 20 Am. Rep. 489, 492 (1875).

35. *Chas. S. Higgins Co. v. Higgins Soap Co.*, 144 N.Y. 462, 39 N.E. 490 (1895); *accord*, *Lerner Stores Corp. v. Lerner Ladies' Apparel Shop Inc.*, 218 App. Div. 427, 218 N.Y. Supp. 442 (1st Dep't 1926).

36. *Paul Westphal v. Westphal's World's Best Corp.*, 216 App. Div. 53, 57, 215 N.Y. Supp. 4, 7 (1st Dep't 1926).

37. The courts often express their findings in terms which necessarily require a subjective intent on the part of the defendant. *E.g.*, *Paul Westphal*, *supra* note 36 ("deceit"); *Meneely v. Meneely*, 62 N.Y. 427, 20 Am. Rep. 489 (1875) ("artifice"); *Gabriel v. Niederstein's Restaurant*, 230 App. Div. 716, 243 N.Y. Supp. 472 (2d Dep't 1930) ("deliberate").

38. *Wm. P. Goldman & Bros. v. Goldstein*, 125 Misc. 737, 211 N.Y. Supp. 872 (Sup. Ct. 1925); *accord*, *Tiffany & Co. v. Tiffany Prod.*, 147 Misc. 679, 264 N.Y. Supp. 459 (Sup. Ct.), *aff'd*, 237 App. Div. 801, 260 N.Y. Supp. 821 (1st Dep't 1932), *aff'd*, 262 N.Y. 482, 188 N.E. 30 (1933).

39. *Montalti v. Montelione*, 72 N.Y.S.2d 879 (Sup. Ct. 1947).

40. *Meneely v. Meneely*, 62 N.Y. 427, 20 Am. Rep. 489 (1875); *accord*, *Long's Hat Stores Inc. v. Long's Clothes Co.*, 224 App. Div. 497, 231 N.Y. Supp. 107 (1st Dep't 1928); *Leavy v. Rappaport*, 23 Misc. 2d 296, 198 N.Y.S.2d 706 (Sup. Ct. 1960); *Astor v. Watson*, 71 N.Y.S.2d 332 (Sup. Ct. 1947).

41. *Albro Metal Prod. Co. v. Alper*, 281 App. Div. 68, 117 N.Y.S.2d 342 (1st Dep't 1952).

or calculated to mislead the public and palm off the business as that of the person who first established it and gave it its reputation."⁴² The courts have required an honest use of identical surnames,⁴³ as well as merely similar surnames.⁴⁴ Even a common given name has been enjoined as unfair competition.⁴⁵ These rules have been strictly applied to corporations, since the selection of a corporate name is a matter of deliberate choice.⁴⁶ The doctrine of secondary meaning also applies in New York,⁴⁷ where a name becomes identified with a certain product.⁴⁸ While the injunction in equity is the traditional remedy,⁴⁹ criminal sanctions may also be invoked.⁵⁰ The degree of proof available determines which remedy applies.⁵¹ Two recent cases in the Appellate Division indicated the judicial attitude toward the use of one's own name in business before the instant case. In *Sullivan v. Ed Sullivan Radio & T.V. Inc.*,⁵² where

42. *Chas. S. Higgins Co. v. Higgins Soap Co.*, 144 N.Y. 462, 468, 39 N.E. 490, 491 (1895); *accord*, *World's D.M. Ass'n v. Pierce*, 203 N.Y. 419, 96 N.E. 738 (1911); *Kraysler v. Kraysler*, 251 App. Div. 446, 296 N.Y. Supp. 791 (1st Dep't 1937); *Kerkhoven v. Weiss*, 191 Misc. 539, 80 N.Y.S.2d 786 (Sup. Ct. 1948); *P. J. Tierney Sons v. Tierney Bros.*, 130 Misc. 428, 224 N.Y. Supp. 144 (Sup. Ct. 1927).

43. *Kaufman v. Kaufman*, 123 N.Y. Supp. 699 (Sup. Ct. 1910): "[I]f he cannot use his own name without inevitably representing his goods as those of another, then he cannot use his own name at all." *Ibid.*; *accord*, *Ziegfeld v. Conklin*, 50 N.Y.S.2d 906 (Sup. Ct. 1944).

44. *Macfadden Publ., Inc. v. B. J. McFadden, Inc.*, 224 App. Div. 374, 231 N.Y. Supp. 185 (1st Dep't 1928); *accord*, *Ford Motor Co. v. C. N. Cady Co.*, 124 Misc. 678, 208 N.Y. Supp. 574 (Sup. Ct. 1925).

45. *Harvey Mach. Co. v. Harvey Aluminum Corp.*, 9 Misc. 2d 1078, 175 N.Y.S.2d 288 (Sup. Ct. 1957). An injunction will issue where "the apparent purpose is to reap where one has not sown, or to gather where one has not planted, or to build upon, or profit from, the name, reputation, goodwill or work of another." *Id.* at 1080, 175 N.Y.S.2d at 291.

46. *Robert Reis & Co. v. Herman B. Reiss Inc.*, 63 N.Y.S.2d 786 (Sup. Ct. 1946); *accord*, *Winifred Warren Inc. v. Turner's Gowns, Ltd.*, 16 N.Y.S.2d 994 (Sup. Ct.), *modified*, 259 App. Div. 878, 20 N.Y.S.2d 1020 (1st Dep't 1940); *Gabriel v. Niederstein's Restaurant*, 230 App. Div. 716, 243 N.Y. Supp. 472 (2d Dep't 1930) (deliberate misleading of the public as to corporate identity); *Al S. Holtz Inc. v. Holtz & Son*, 105 N.Y.S.2d 454 (Sup. Ct. 1951) (acquiring name of an incorporator for purposes of fraud and deceit).

47. *Wholesale Serv. Sup. Corp. v. Wholesale Bldg. Materials Corp.*, 280 App. Div. 189, 112 N.Y.S.2d 622 (4th Dep't 1952); *Nu Enamel Corp. v. Nate Enamel Co.*, 151 Misc. 405, 271 N.Y. Supp. 656 (Sup. Ct. 1934), *rev'd on other grounds*, 243 App. Div. 292, 276 N.Y. Supp. 930 (1st Dep't 1935).

48. *Compania "Ron Bacardi" S.A. v. American Bacardi Rum Corp.*, 63 N.Y.S.2d 610 (Sup. Ct.), *aff'd*, 274 N.Y. Supp. 1019 (1st Dep't 1934). A name may become "so identified with a certain [product] . . . that it is almost a common noun . . . when a family name has reached that stage of alteration . . . no one else can put out a similar article and call it Bacardi because that use of the name no longer connotes its usual meaning." *Id.* at 610-11.

49. *Meisner v. Meisner*, 29 N.Y.S.2d 342 (Sup. Ct. 1941), *aff'd*, 264 App. Div. 758, 35 N.Y.S.2d 712 (1st Dep't 1942) (clean hands required).

50. N.Y. Pen. Law § 964 provides:

No person, firm or corporation shall, with intent to deceive or mislead the public, assume, adopt or use . . . any name . . . which may deceive or mislead the public as to the identity of such person, firm or corporation. . . . A violation of this section shall be a misdemeanor. . . .

See generally Alexander, *A Summary Civil Remedy for Trade-Name Infringement: The New York Experience*, 14 Syracuse L. Rev. 1 (1962).

51. *Charles F. Ryan & Son Inc. v. Lancaster Homes Inc.*, 19 A.D.2d 14, 240 N.Y.S.2d 183 (4th Dep't 1963).

52. *Sullivan v. Ed Sullivan Radio & T.V. Inc.*, 1 A.D.2d 609, 152 N.Y.S.2d 227 (1st Dep't 1956) (The parties were not in direct competition, but operated in the same general field.).

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a nationally known T.V. personality was granted an injunction against the defendant's use of the diminutive form "Ed," the court stated the "present trend of the law is to enjoin the use even of a family name where such use tends or threatens to induce confusion in the public mind,"⁵³ citing 1895 and 1926 cases for this proposition.⁵⁴ The court granted the injunction, on the finding that the particular form of the name tended to identify the defendant with the plaintiff. In a trade-name action between real estate contractors that were appealing to different price markets, the court granted an injunction in *Charles F. Ryan & Sons v. Lancaster Homes Inc.*, holding:

Interference with a person's right to use his own name in business is generally disapproved. Rarely is this use enjoined particularly in the absence of fraud and intentional deceit or a clear showing of confusion deliberately created in the minds of the general purchasing public.⁵⁵

In the instant case, the Court of Appeals repeated the finding of the Supreme Court that if the injunction were not granted, the plaintiff would continue to suffer a great loss in his business and reputation by the public confusion and diversion of customers caused by defendant's use of the name "Findlay." The Court also stressed the trial court's finding that although the defendant did not deliberately intend to exploit plaintiff's good-will and reputation, such a result would naturally follow. In citing only five cases,⁵⁶ the Court relied upon *Sullivan* as an indication of the present trend of the law. The Court distinguished *Ryan* on the grounds that there was no finding that the plaintiff would be damaged absent the relief requested. After recognizing the peculiar knowledge possessed by the defendant as to plaintiff's endeavors, and the fact that the defendant nevertheless opened his adjacent shop, the Court concluded: "The *bona fides* of [defendant] Wally's intentions do not change the applicable principles. The objective facts of this unfair competition and injury to plaintiff's business are determinative, not the defendant's subjective state of mind."⁵⁷ A vigorous dissent relied on the *Meneely* rule and noted that here there was not the slightest support for any claim of dishonesty, deceit, fraud misleading the public, or palming off defendant's business as that of the plaintiff. Absent such necessary elements, the dissent believes relief is un-

53. *Id.* at 611, 152 N.Y.S.2d at 229.

54. *Chas. S. Higgins Co. v. Higgins Soap Co.*, 144 N.Y. 462, 39 N.E. 490 (1895); *Paul Westphal v. Westphal's World's Best Corp.*, 216 App. Div. 53, 215 N.Y. Supp. 4 (1st Dep't, 1926).

55. *Charles F. Ryan & Son Inc. v. Lancaster Homes Inc.*, 22 A.D.2d 186, 189, 254 N.Y.S.2d 473, 477 (4th Dep't 1964), *aff'd*, 15 N.Y.2d 812, 205 N.E.2d 859, 257 N.Y.S.2d 934 (1965) (The court found only normal competition and stated this to be an economic rather than a legal problem.).

56. *Chas. S. Higgins Co. v. Higgins Soap Co.*, 144 N.Y. 462, 39 N.E. 490 (1895); *Sullivan v. Ed Sullivan Radio & T.V. Inc.*, 1 A.D.2d 609, 152 N.Y.S.2d 227 (1st Dep't 1956); *Meneely v. Meneely*, 62 N.Y. 427, 20 Am. Rep. 489 (1875); *World's D.M. Ass'n. v. Pierce*, 203 N.Y. 419, 96 N.E. 738 (1911); *Charles F. Ryan & Son Inc. v. Lancaster Homes Inc.*, 22 A.D.2d 186, 254 N.Y.S.2d 473 (4th Dep't 1964), *aff'd*, 15 N.Y.2d 812, 205 N.E.2d 859, 257 N.Y.S.2d 934 (1965) (in order of Court discussion).

57. Instant case at 20, 218 N.E.2d at 535, 271 N.Y.S.2d at 656.

obtainable. The dissent states that proof of confusion is irrelevant, since confusion resulting from an honest use of one's own name is not actionable. *Ryan* was cited as being directly in point, since both cases have no proof of actual damages, only a fear of diminished reputation in the future. The dissent stated that the majority "now refuses to apply the rule observed for over a century."⁵⁸

While arriving at a just and equitable result, the rather unpersuasive opinion of the Court leaves much to be desired. The Court chose not to consider defendant's intent as a necessary element in this action, although this element has been deemed basic since *Meneely* and *Brown Chemical*, in almost every jurisdiction passing on the question. Here, however, the Court held that intent, or the defendant's subjective state of mind, was not determinative. It is questionable whether the dictum in *Sullivan*, indicating the "present trend" of the law, is sufficient authority for dispensing with the element of intent. In holding that only the objective facts of confusion and diversion are determinative, the Court *seems* to be adopting the rationale used in trade-mark cases, an area usually distinguished from trade-names and unfair competition. In the common law of trademark infringement, where the cause of action "does not depend upon the good faith or the bad faith of the infringer,"⁵⁹ the objective fact of the infringement is held to be determinative,⁶⁰ and the defendant's intent is implied. This result has been continued under the present Lanham Act.⁶¹ Thus the Court seems to indicate that in the instant case, as in cases of trade-mark infringement, when the objective facts of confusion and diversion of trade are present, the subjective intent of the defendant is to be assumed as a matter of law.

While such a development is not without support,⁶² if this is what the Court intended, the Court did not express it, nor do the five cases relied upon permit it.⁶³ Indeed, it is questionable whether the instant case is a proper vehicle for such a development, particularly in the light of certain findings of the trial court relating to the traditional element of intent. The Court accepted the finding that the long canopy could only have the effect of confusing those customers looking for "Findlay's on 57th Street."⁶⁴ The Court accepted the

58. *Id.* at 23, 218 N.E.2d at 536, 271 N.Y.S.2d at 659.

59. *United Drug Co. v. Obear-Nester Glass Co.*, 111 F.2d 997, 999 (8th Cir. 1940); *accord*, *Saxlehner v. Siegel-Cooper Co.*, 179 U.S. 42 (1900); *Gehl v. Hebe Co.*, 276 Fed. 271 (7th Cir. 1921).

60. 3 Callmann § 86.1(a).

61. Trade-Mark Act of July 5, 1946 (Lanham Act), §§ 29, 34, 60 Stat. 436, 439, 15 U.S.C. §§ 1111, 1116 (1964). See generally 3 Callmann § 86.1(a).

62. 3 Callmann § 85.2(d) (3):

The fraud or the fraudulent intent of the defendant is an important factor in all cases of unfair competition, but as in other trade-mark cases, the plaintiff's right to relief should be determined by the objective facts of infringement and not by the defendant's subjective state of mind. If a court insists upon evidence of the defendant's fraudulent intent as condition precedent to the grant of an absolute injunction, the objective facts should themselves furnish it.

Id. at 1715 (no cases cited).

63. See note 56 *supra*.

64. Instant case at 18, 218 N.E.2d at 533, 271 N.Y.S.2d at 654.

finding that the defendant located his gallery next to the plaintiff's, which was not in the art district proper.⁶⁵ Further, the Court agreed that "though Wally *perhaps* did not deliberately set out to exploit . . . such a result would follow. . . ."⁶⁶ Thus, the Court could have based its opinion, at least in part, upon the traditional element of intent. In this regard, the dissent's criticism seems justified. It is interesting to note that the findings just mentioned could have been used by the Court to show an actionable palming off of defendant's business as that of the plaintiff's as was done in *Chas. S. Higgins Co. v. Higgins Soap Co.*,⁶⁷ where the Court found the inference irresistible that defendant used its corporate name to convey the impression that it was the manufacturer of a well known soap. Perhaps too, the Court could have elaborated on the doctrine of secondary meaning, to which the Court alludes.⁶⁸ A secondary or additional meaning attaches to a name through an extended use in a particular area. In this instance, the name of Findlay might have been said to be *identified* with quality art items and dealers in that area. Thus, the Court could have explicitly held the name to have acquired such a secondary meaning, and, therefore, was to be protected from even an honest use on the basis of unfair competition. At the very least, the notion could have been developed to protect plaintiff in the relatively small area of 57th Street.

In relation to secondary meaning, the Court could have employed the "strong mark-weak mark" doctrine of trade-mark law. This doctrine establishes a "hierarchy of trade marks which are said to merit varying degrees of protection."⁶⁹ A "strong mark," a word specially coined or a common word arbitrarily applied, is said to be *distinctive* and will then be protected against imitation or infringement on a great variety of goods and services. A "weak mark," on the other hand, is generally suggestive or descriptive of the product, or indicative of its geographical origin. That is, a weak mark is much less distinctive,⁷⁰ and is thus afforded much less protection.⁷¹ However, a non-distinctive mark may acquire distinctiveness, by acquiring a secondary meaning, and thus a greater degree of protection.⁷² Generally, surnames are found not capable of being effective registerable trade-marks, usually because they

65. "[M]any, if not most of the leading art galleries, are now located on Madison Avenue and in the area of the 60's, 70's and 80's in New York City." *Id.* at 21, 218 N.E.2d at 535, 271 N.Y.S.2d at 657.

66. *Id.* at 18, 218 N.E.2d at 533, 271 N.Y.S.2d at 654 (emphasis added).

67. 144 N.Y. 462, 39 N.E. 490 (1895).

68. "Again, unlike the instant case where 'Findlay's on 57th St.' is synonymous in New York City with quality art galleries, 'Homes by Ryan' had not become a trade name with a secondary meaning." Instant case at 20, 218 N.E.2d at 534, 271 N.Y.S.2d at 656.

69. *Developments in the Law—Trade-Marks and Unfair Competition*, 68 Harv. L. Rev. 813, 847 (1955) (hereinafter cited *Developments*).

70. *Majestic Mfg. Co. v. Majestic Elec. Appliance Co.*, 172 F.2d 862 (6th Cir. 1949).

71. *Developments* 848 (The reason being that the courts are unwilling to grant a monopoly on ordinary or common words, because the public is accustomed to frequent use of such words and would thus be unlikely to attribute many goods or services of the same word or mark to a single source.)

72. *Vandenburgh*, Trademark Law and Procedure § 4.10, at 61 (1959) (Whether a mark is distinctive is a question of fact.)

are not inherently distinctive.⁷³ However, a surname, like a weak mark, will be protected like a strong mark after acquiring distinctiveness through a secondary meaning.⁷⁴ Thus, a family name may develop into a trade-name, and once this is accomplished, the owner thereof will be entitled to its protection in the courts.⁷⁵

This reasoning could have properly been used in the instant case,⁷⁶ since perhaps the Court could have found "Findlay Galleries" or "Findlay's on 57th Street" to have acquired a secondary meaning and thus entitled to protection as would a strong mark in the trade-mark sense. Thus, a newcomer whose name will cause public confusion of his product with that of an established competitor may be required "to take reasonable precautions to prevent the mistake."⁷⁷ In conclusion, the Court did a disservice to the trade name law of New York by not rendering a clearer and more persuasive opinion. Henceforth, predictability will be curtailed, as the Court entered an area of fairly settled law and left it in a state of uncertainty. Much of this uncertainty could have been resolved by an adequate discussion of defendant's subjective intent. If the Court desired to eliminate the question of intent, as in trade-mark infringement, a more substantial discussion would have been in order. The law of over ninety years should not be altered so drastically without a persuasive explanation.

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73. *Id.* § 4.70, at 86.

74. *J. A. Dougherty's Sons, Inc. v. Dougherty*, 36 F. Supp. 149 (E.D. Pa. 1940); *accord*, *United Drug Co. v. Theodore Rectanus Co.*, 248 U.S. 90 (1918).

75. *Cook Chem. Co. v. Cook Paint & Varnish Co.*, 185 F.2d 365 (8th Cir. 1950); *accord*, *John B. Stetson Co. v. Stephen L. Stetson Co.*, 30 U.S.P.Q. 330, 85 F.2d 586 (2d Cir. 1936).

76. *Developments*. "Whether a court should enjoin the subsequent use would seem to depend on the same factors relevant to suits in trade-mark infringement: the 'strong' or 'weak' nature of the trade name and the extent of the secondary meaning it has acquired. . . ." *Id.* at 850.

77. *L. E. Waterman Co. v. Modern Pen Co.*, 235 U.S. 88, 94 (1914).