

Trade Names—Injunction against Unauthorized Use—[Illinois].—Complainant carried on a millinery business for ten years under her surname, "Minton." At the end of this time she gave up the business and sold part of the merchandise and fixtures to defendants, two of her employees, giving them the right to use the name "Minton" for a time. The defendants continuing to use plaintiff's name in the business beyond the time permitted, plaintiff, who had not re-entered the millinery business, sought to enjoin the defendants' use of her name. *Held*, plaintiff's right to the exclusive use of her name as against persons holding other names will be protected even in the absence of any business competition. *Minton v. Smith*, 276 Ill. App. 128 (1934).

In general, similar rules are applied to trade names as to trademarks. Hopkins, *Trademarks, Trade Names, and Unfair Competition* (4th ed. 1924), 12. See *Manhattan Medicine Co. v. Wood*, 108 U.S. 218 (1883).

The legal basis for the protection of trademarks and trade names is not clearly determined. Courts have often used the loose statement that a trademark is a "property right." *Brown Chemical Co. v. Meyer*, 139 U.S. 540 (1891); *Hall v. Holstrom*, 106 Cal. App. 563, 289 Pac. 668 (1930). Unlike other so-called property rights, however, it is well settled that a trademark or trade name cannot be separated from the business to which it applies and be assigned in gross. *Wiltberger v. Walker*, 8 Ohio Dec. 588 (1883); *The Fair v. Jose Morales & Co.*, 82 Ill. App. 499 (1899); *Jacoway v. Young*, 228 Fed. 630 (C.C.A. 8th 1915); 28 Col. L. Rev. 353 (1928); 6 Ill. L. Rev. 46 (1911). In fact, it seems that a trade name has no inherent value *per se*, but derives its value from the goodwill of the business it represents. See Grismore, *The Assignment of Trade Marks and Trade Names*, 30 Mich. L. Rev. 489 (1932).

One of the bases upon which the courts have protected "owners" in their use of trade names is that infringement by others would injure the "owner's" business by unfair competition. These courts require, as a prerequisite to relief, that the usurpation of the trade name be by a business competing in a similar product at the same time. *Clark v. Freeman*, 11 Beav. 112 (Ch. 1848); *Eastern Outfitting Co. v. Manheim*, 59 Wash. 428, 110 Pac. 23 (1910); *Carter v. Carter Electric Co.*, 156 Ga. 297, 119 S.E. 737 (1923); Henry, *Evolution of the Personal Trade Name*, 6 St. Louis L. Rev. 188 (1921). Other courts have extended this protection to "owners" where the wrongdoer is not strictly a competitor but uses the symbol on dissimilar products. The theory is that public disapproval of the wrongdoer's product may greatly injure the goodwill of the original, "trade name" business. *The Collins Co. v. Oliver Ames and Sons Corp.*, 18 Fed. 561 (1882); *cf. Edison v. Edison Polyform and Mfg. Co.*, 73 N.J.Eq. 136, 67 Atl. 392 (1907). See Lukens, *The Application of the Principles of Unfair Competition to Cases of Dissimilar Products*, 75 Univ. Pa. L. Rev. 197 (1927); 20 Ill. L. Rev. 90 (1926).

In instances like the principal case, however, it has been repeatedly held that since the "owner" no longer owns the business, there has been no injury because there is no product to protect from competition or good will to preserve. *Goldman v. Bootman*, 179 App. Div. 767, 167 N.Y. Supp. 196 (1917); *Clark v. Freeman*, 11 Beav. 112 (Ch. 1848).

Despite these holdings, the use of "borrowed" trade names has frequently been restrained on grounds other than that the present business of the owner was injured. The possibility of vexatious suits that might be brought against the "owner" because another's business is carried on in his name has justified court restraint. *Scheer v. Am. Ice Co.*, 32 N.Y. Misc. 351, 66 N.Y. Supp. 3 (1900). A similar protection has been

allowed the owner who has temporarily discontinued business but who intends to continue it later. See *Scheer v. Am. Ice Co.*, 32 N.Y. Misc. 351, 66 N.Y. Supp. 3 (1900). This conclusion seems justified when it is recognized that the true value of a trade name lies in the habit of customers to purchase goods under its label, and continues to exist for some time after the business has actually ceased to operate. *Christy v. Murphy*, 12 How. (N.Y.) 77 (1856); *Ohlbaum v. Correa*, 178 App. Div. 838, 166 N.Y. Supp. 89 (1917); Grismore, *The Assignment of Trade Marks and Trade Names*, 30 Mich. L. Rev. 489 (1932). Another theory that might warrant court intervention is that the unauthorized use of the plaintiff's surname to advertise another's product violates the plaintiff's 'right to privacy.' Cf. *Pavesich v. New England Life Insurance Co.*, 122 Ga. 190, 50 S.E. 68 (1905); *Edison v. Edison Polyform and Mfg. Co.*, 73 N.J. Eq. 136, 67 Atl. 392 (1907). See Warren and Brandeis, *Right to Privacy*, 4 Harv. L. Rev. 193 (1890). A plausible justification for restraining the use of a trade name by one not in privity with the "owner" is that such would misrepresent the source of the product and therefore be a fraud on the public. *Lee v. Haley*, 21 L.T. (N.S.) 546 (Ch. 1869); *Wotherspoon v. Currie*, 22 L.T. (N.S.) 260 (Ch. 1872); *Newman v. Alword*, 49 Barb. (N.Y.) 588 (1867). See 20 Ill. L. Rev. 90, 91 (1926). A possible though not generally accepted doctrine is that the trade name may be used in such a way as to defame the reputation of the original owner. Although courts usually refuse to enjoin the commission of a personal tort, it has been suggested that such should be done where the injury is irreparable and the damage conjectural. See Pound, *Equitable Relief against Defamation and Injuries to Personalty*, 29 Harv. L. Rev. 640 (1916); Long, *Equitable Jurisdiction To Protect Personal Rights*, 33 Yale L. J. 115 (1923).