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Trademark Cases

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Appellant : Trademark Cases

Judgement :

Trademark Cases - 100 U.S. 82 (1879)
U.S. Supreme Court Trademark Cases, 100 U.S. 82 (1879)

Trademark Cases

100 U.S. 82

SYLLABUS

1. Property in trademarks has long been recognized and protected by the common law and by the statutes of the several states, and does not derive its existence from the act of Congress providing for the registration of them in the Patent Office.

2. A trademark is neither an invention, a discovery, nor a writing within the meaning of the eighth clause of the eighth section of the first article of the Constitution, which confers on Congress power to secure for limited times to authors and inventors the exclusive right to their respective writings and

discoveries.

3. If an act of Congress can in any case be extended, as a regulation of commerce, to trademarks, it must be limited to their use in "commerce with foreign nations, and among the several states, and with the Indian tribes."

4. The legislation of Congress in regard to trademarks is not, in its terms or essential character, a regulation thus limited, but in its language embraces, and was intended to embrace, all commerce, including that between citizens of the same state.

5. That legislation is void for want of constitutional authority, inasmuch as it is so framed that its provisions are applicable to all commerce, and cannot be confined to that which is subject to the control of Congress.

The first two cases were brought here on certificates of division in opinion between the judges of the Circuit Court of the United States for the Southern District of New York. The last was brought here on a certificate of division on opinion between the judges of the Circuit Court of the United States for the Southern District of Ohio.

Steffens was indicted under the fourth and fifth sections of an act of Congress entitled "An Act to punish the counterfeiting of trademarks and the sale or dealing in of counterfeit trademark goods," approved Aug. 14, 1876, 19 Stat. 141.

The first count in the indictment charges him with knowingly and willfully having in his possession counterfeits and colorable imitations of the trademarks of G. H. Mumm & Co., of Rheims, France, manufacturers and sellers of champagne wine.

The second count charges him with knowingly and willfully selling counterfeited representations and colorable imitations of the trademark of said G. H. Mumm & Co.

Wittemann was indicted under the fifth section of that act. The indictment consists of six counts, and they charge: 1st, the counterfeiting and forging; 2d, the having in possession colorable imitations of; 3d, the buying; 4th, the selling; 5th, the offering for sale; and, 6th, the dealing in colorable imitations of the private trademark belonging to and used by the firm of Kunkleman & Co., of Rheims, France, manufacturers and dealers in wine known as the "Piper Heidsick" brand of champagne wine.

Johnson, McNamara, and Reeder were prosecuted under that act by a criminal information containing seven counts, of which the first, fourth, and sixth are founded upon a trademark consisting of the letters "O K," registered in the United States Patent Office by Charles F. O'Donnell, April 2, 1878, for use upon packages of whiskey, and respectively charge the defendants with counterfeiting, affixing a colorable imitation, and dealing in and selling packages of whiskey to which was attached a colorable imitation of said trademark; and the second, third, fifth, and seventh counts are founded upon another trademark, consisting of a seal and ribbon, the latter secured by the seal of a package containing whiskey, registered by Charles F. O'Donnell, May 21, 1878, and respectively charge the defendants with counterfeiting, making a colorable imitation, affixing a colorable imitation, and dealing in packages of whiskey to which was attached a colorable imitation of said trademark.

Secs. 4 and 5 of the act of 1876 are as follows:

"SEC. 4. That any person or persons who shall, with intent to defraud any person or persons, knowingly and willfully cast, engrave, or manufacture, or have in his, her, or their possession, or buy, sell, offer for sale, or deal in, any die or dies, plate or plates, brand or brands, engraving or engravings, on wood, stone, metal, or other substance, moulds, or any false representation, likeness, copy, or colorable imitation of any die, plate, brand, engraving, or mould of any private label, brand, stamp, wrapper, engraving on paper or other substance, or trademark, registered pursuant to the statutes of the United States, shall, upon conviction thereof, be punished as prescribed in the first section of this act."

"SEC. 5. That any person or persons who shall, with intent to defraud any person or persons, knowingly and willfully make,

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forge, or counterfeit, or have in his, her, or their possession, or buy, sell, offer for sale, or deal in, any representation, likeness, similitude, copy, or colorable imitation of any private label, brand, stamp, wrapper, engraving, mould, or trademark, registered pursuant to the Statutes of the United States, shall, upon conviction thereof, be punished as prescribed in the first section of this act."

Sect. 4937, Rev. Stat., is as follows:

"Any person or firm domiciled in the United States, and any corporation created by the authority of the United States, or of any state or territory thereof, and any person, firm, or corporation resident of or located in any foreign country which by treaty or convention affords similar privileges to citizens of the United States, and who are entitled to the exclusive use of any lawful trademark, or who intend to adopt and use any trademark for exclusive use within the United States, may obtain protection for such lawful trademark, by complying with the following requirements:"

" *First,* by causing to be recorded in the Patent Office a statement specifying the names of the parties, and their residences and places of business, who desire the protection of the trademark; the class of merchandise, and the particular description of goods comprised in such class, by which the trademark has been or is intended to be appropriated; a description of the trademark itself, with facsimiles thereof, showing the mode in which it has been or is intended to be applied and used; and the length of time, if any, during which the trademark has been in use."

" *Second,* by making payment of a fee of twenty-five dollars in the same manner and for the same purpose as the fee required for patents."

" *Third,* by complying with such regulations as may be prescribed by the Commissioner of Patents."

To each indictment there was a general demurrer. The judges of the circuit court were opposed in opinion upon the following question:

"Can the Act of Congress approved Aug. 14, 1876, entitled 'An Act to punish the counterfeiting of trademark goods and the sale or dealing in of counterfeit trademark goods,' under which this indictment is found, be upheld, wholly or in part, as a law necessary and proper for carrying into execution any of the powers vested in the Congress by the Constitution of the United States? "

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To the information against Johnson, McNamara, and Reeder there was a general demurrer, and thereupon a question arose for decision whether the said act of Congress "is within the constitutional power of Congress, or whether the same is unconstitutional, null, and void," and the opinions of the judges of the Circuit Court were opposed.

The Attorney-General for the United States.

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MR. JUSTICE MILLER delivered the opinion of the Court.

The three cases whose titles stand at the head of this opinion are criminal prosecutions for violations of what is known as the trademark legislation of Congress. The first two are indictments in the Southern District of New York and the last is an information in the Southern District of Ohio. In all of them, the judges of the circuit courts in which they are pending have certified to a difference of opinion on what is substantially the same question, namely, are the acts of Congress on the subject

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of trademarks founded on any rightful authority in the Constitution of the United States?

The entire legislation of Congress in regard to trademarks is of very recent origin. It is first seen in secs. 77 to 84, inclusive, of the Act of July 8, 1870, entitled "An Act to revise, consolidate, and amend the statutes relating to patents and copyrights." 16 Stat. 198. The part of this act relating to trademarks is embodied in chap. 2, tit. 60, secs. 4937 to 4947, of the Revised Statutes.

It is sufficient at present to say that they provide for the registration in the Patent Office of any device in the nature of a trademark to which any person has by usage established an exclusive right, or which the person so registering intends to appropriate by that act to his exclusive use, and they make the wrongful use of a trademark, so registered, by any other person, without the owner's permission, a cause of action in a civil suit for damages. Six years later, we have the Act of Aug. 14, 1876, 19 Stat. 141, punishing by fine and imprisonment the fraudulent use, sale, and counterfeiting of trademarks registered in pursuance of the statutes of the United States, on which the informations and indictments are founded in the cases before us.

The right to adopt and use a symbol or a device to distinguish the goods or property made or sold by the person whose mark it is, to the exclusion of use by all other persons, has been long recognized by the common law and the chancery courts of England and of this country and by the statutes of some of the states. It is a property right for the violation of which damages may be recovered in an action at law, and the continued violation of it will be enjoined by a court of equity, with compensation for past infringement. This exclusive right was not created by the act of Congress, and does not now depend upon it for its enforcement. The whole system of trademark property and the civil remedies for its protection existed long anterior to that act, and have remained in full force since its passage.

There propositions are so well understood as to require neither the citation of authorities nor an elaborate argument to prove them.

As the property in trademarks and the right to their exclusive use rest on the laws of the states, and, like the great body of the rights of person and of property, depend on them for security and protection, the power of Congress to legislate on the subject, to establish the conditions on which these rights shall be enjoyed and exercised, the period of their duration, and the legal remedies for their enforcement, if such power exist at all, must be found in the Constitution of the United States, which is the source of all powers that Congress can lawfully exercise.

In the argument of these cases this seems to be conceded, and the advocates for the validity of the acts of Congress on this subject point to two clauses of the Constitution, in one or in both of which, as they assert, sufficient warrant may be found for this legislation.

The first of these is the eighth clause of sec. 8 of the first article. That section, manifestly intended to be an enumeration of the powers expressly granted to Congress and closing with the declaration of a rule for the ascertainment of such powers as are necessary by way of implication to carry into efficient operation those expressly given, authorizes Congress, by the clause referred to,

"to promote the progress of science and useful arts, by securing for limited times, to authors and inventors, the exclusive right to their respective writings and discoveries."

As the first and only attempt by Congress to regulate the right of trademarks is to be found in the Act of July 8, 1870, to which we have referred, entitled "An Act to revise, consolidate, and amend the statutes relating to patents and copyrights," terms which have long since become technical, as referring, the one to inventions and the other to the writings of authors, it is a reasonable inference that this part of the statute also was, in the opinion of Congress, an exercise of the power found in that clause of the Constitution. It may also be safely assumed that until a critical examination of the subject in the courts became necessary, it was mainly if not wholly to this clause that the advocates of the law looked for its support.

Any attempt, however, to identify the essential characteristics of a trademark with inventions and discoveries in the

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arts and sciences, or with the writings of authors, will show that the effort is surrounded with insurmountable difficulties.

The ordinary trademark has no necessary relation to invention or discovery. The trademark recognized by the common law is generally the growth of a considerable period of use, rather than a sudden invention. It is often the result of accident, rather than design, and when under the act of Congress it is sought to establish it by registration, neither originality, invention, discovery, science, nor art is in any way essential to the right conferred by that act. If we should endeavor to classify it under the head of writings of authors, the objections are equally strong. In this as in regard to inventions, originality is required. And while the word writings may be liberally construed, as it has been, to include original designs for engravings, prints, &c.;, it is only such as are original and are founded in the creative powers of the mind. The writings which are to be protected are the fruits of intellectual labor, embodied in the form of books, prints, engravings, and the like. The trademark may be, and generally is, the adoption of something already in existence as the distinctive symbol of the party using it. At common law, the exclusive right to it grows out of its use, and not its mere adoption. By the act of Congress, this exclusive right attaches upon registration. But in neither case does it depend upon novelty, invention, discovery, or any work of the brain. It requires no fancy or imagination, no genius, no laborious thought. It is simply founded on priority of appropriation. We look in vain in the statute for any other qualification or condition. If the symbol, however plain, simple, old, or well known, has been first appropriated by the claimant as his distinctive trademark, he may by registration secure the right to its exclusive use. While such legislation may be a judicious aid to the common law on the subject of trademarks, and may be within the competency of legislatures whose general powers embrace that class of subjects, we are unable to see any such power in the constitutional provision concerning authors and inventors, and their writings and discoveries.

The other clause of the Constitution supposed to confer the requisite authority on Congress is the third of the same section,

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which, read in connection with the granting clause, is as follows: "The Congress shall have power to regulate commerce with foreign nations, and among the several states, and with the Indian tribes."

The argument is that the use of a trademark -- that which alone gives it any value -- is to identify a particular class or quality of goods as the manufacture, produce, or property of the person who puts them in the general market for sale; that the sale of the article so distinguished is commerce; that the trademark is therefore a useful and valuable aid or instrument of commerce, and its regulation by virtue of the clause belongs to Congress, and that the act in question is a lawful exercise of this power.

Every species of property which is the subject of commerce, or which is used or even essential in commerce, is not brought by this clause within the control of Congress. The barrels and casks, the bottles and boxes in which alone certain articles of commerce are kept for safety and by which their contents are transferred from the seller to the buyer, do not thereby become subjects of congressional legislation more than other property. *Nathan v. Louisiana,* 8 How. 73. In *Paul v. Virginia,* 8 Wall. 168, this Court held that a policy of insurance made by a corporation of one state on property situated in another was not an article of commerce and did not come within the purview of the clause we are considering. "They are not," said the Court, "commodities to be shipped or forwarded from one state to another and then put up for sale." On the other hand, in *Almy v. State of California,* 24 How. 169, it was held that a stamp duty imposed by the Legislature of California on bills of lading for gold and silver transported from any place in that state to another out of the state was forbidden by the Constitution of the United States because, such instruments being a necessity to the transaction of commerce, the duty was a tax upon exports.

The question, therefore, whether the trademark bears such a relation to commerce in general terms as to bring it within congressional control, when used or applied to the classes of commerce which fall within that control, is one which, in the present case, we propose to leave undecided. We adopt this

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course because when this Court is called on in the course of the administration of the law to consider whether an act of Congress, or of any other department of the government, is within the constitutional authority of that department, a due respect for a co-ordinate branch of the government requires that we shall decide that it has transcended its powers only when that is so plain that we cannot avoid the duty.

In such cases, it is manifestly the dictate of wisdom and judicial propriety to decide no more than is necessary to the case in hand. That such has been the uniform course of this Court in regard to statutes passed by Congress will readily appear to anyone who will consider the vast amount of argument presented to us assailing them as unconstitutional, and he will count, as he may do on his fingers, the instances in which this Court has declared an act of Congress void for want of constitutional power.

Governed by this view of our duty, we proceed to remark that a glance at the commerce clause of the Constitution discloses at once what has been often the subject of comment in this Court and out of it -- that the power of regulation there conferred on Congress is limited to commerce with foreign nations, commerce among the states, and commerce with the Indian tribes. While bearing in mind the liberal construction that commerce with foreign nations means commerce between citizens of the United States and citizens and subjects of foreign nations, and commerce among the states means commerce between the individual citizens of different states, there still remains a very large amount of commerce, perhaps the largest, which, being trade or traffic between citizens of the same state, is beyond the control of Congress.

When, therefore, Congress undertakes to enact a law which can only be valid as a regulation of commerce, it is reasonable to expect to find on the face of the law or from its essential nature that it is a regulation of commerce with foreign nations or among the several states or with the Indian tribes. If not so limited, it is in excess of the power of Congress. If its main purpose be to establish a regulation applicable to all trade, to commerce at all points, especially if it be apparent that it is designed to govern the commerce wholly between citizens of

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the same state, it is obviously the exercise of a power not confided to Congress.

We find no recognition of this principle in the chapter on trademarks in the Revised Statutes. We would naturally look for this in the description of the class of persons who are entitled to register a trademark, or in reference to the goods to which it should be applied. If, for instance, the statute described persons engaged in a commerce between the different states, and related to the use of trademarks in such commerce, it would be evident that Congress believed it was acting under the clause of the Constitution which authorizes it to regulate commerce among the states. So if, when the trademark has been registered, Congress had protected its use on goods sold by a citizen of one state to another, or by a citizen of a foreign state to a citizen of the United States, it would be seen that Congress was at least intending to exercise the power of regulation conferred by that clause of the Constitution. But no such idea is found or suggested in this statute. Its language is: "Any person or firm domiciled in the United States, and any corporation created by the United States, or of any state or territory thereof," or any person residing in a foreign country which by treaty or convention affords similar privileges to our citizens, may be registration obtain protection for his trademark. Here is no requirement that such person shall be engaged in the kind of commerce which Congress is authorized to regulate. It is a general declaration that anybody in the United States, and anybody in any other country which permits us to do the like, may, by registering a trademark, have it fully protected. So, while the person registering is required to furnish

"a statement of the class of merchandise, and the particular description of the goods comprised in such class, by which the trademark has been or is intended to be appropriated,"

there is no hint that the goods are to be transported from one state to another, or between the United States and foreign countries. Sec. 4939 is intended to impose some restriction upon the Commissioner of Patents in the matter of registration, but no limitation is suggested in regard to persons or property engaged in the different classes of commerce mentioned in the Constitution. The remedies provided by the act

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when the right of the owner of the registered trademark is infringed are not confined to the case of a trademark used in foreign or interstate commerce.

It is therefore manifest that no such distinction is found in the act, but that its broad purpose was to establish a universal system of trademark registration, for the benefit of all who had already used a trademark or who wished to adopt one in the future, without regard to the character of the trade to which it was to be applied or the residence of the owner, with the solitary exception that those who resided in foreign countries which extended no such privileges to us were excluded from them here.

It has been suggested that if Congress has power to regulate trademarks used in commerce with foreign nations and among the several states, these statutes shall be held valid in that class of cases, if no further. To this there are two objections: first, the indictments in these cases do not show that the trademarks which are wrongfully used were trademarks used in that kind of commerce; secondly, while it may be true that when one part of a statute is valid and constitutional and another part is unconstitutional and void, the court may enforce the valid part where they are distinctly separable so that each can stand alone, it is not within the judicial province to give to the words used by Congress a narrower meaning than they are manifestly intended to bear in order that crimes may be punished which are not

described in language that brings them within the constitutional power of that body. This precise point was decided in *United States v. Reese,* 92 U. S. 214 . In that case, Congress had passed a statute punishing election officers who should refuse to any person lawfully entitled to do so the right to cast his vote at an election. This Court was of the opinion that as regarded the section of the statute then under consideration, Congress could only punish such denial when it was on account of race, color, or previous condition of servitude.

It was urged, however, that the general description of the offense included the more limited one, and that the section was valid where such was in fact the cause of denial. But the Court said, through the Chief Justice:

"We are not able to

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reject a part which is unconstitutional and retain the remainder, because it is not possible to separate that which is constitutional, if there be any such, from that which is not. The proposed effect is not to be attained by striking out or disregarding words that are in the section, but by inserting those that are not there now. Each of the sections must stand as a whole or fall altogether. The language is plain. There is no room for construction unless it be as to the effect of the Constitution. The question, then, to be determined is whether we can introduce words of limitation into a penal statute so as to make it specific when, as expressed, it is general only. . . . To limit this statute in the manner now asked for would be to make a new law, not to enforce an old one. This is no part of our duty."

If we should, in the case before us, undertake to make by judicial construction a law which Congress did not make, it is quite probable we should do what, if the matter were now before that body, it would be unwilling to do -- namely, make a trademark law which is only partial in its operation and which would complicate the rights which parties would hold, in some instances under the act of Congress and in others under state law. Cooley, Const.Lim. 178, 179; *Commonwealth v.*

Hitchings, 5 Gray (Mass.) 482.

In what we have here said, we wish to be understood as leaving untouched the whole question of the treatymaking power over trademarks and of the duty of Congress to pass any laws necessary to carry treaties into effect.

While we have, in our references in this opinion to the trademark legislation of Congress, had mainly in view the act of 1870 and the civil remedy which that act provides, it was because the criminal offenses described in the act of 1876 are, by their express terms, solely referable to frauds, counterfeits, and unlawful use of trademarks which were registered under the provisions of the former act. If that act is unconstitutional, so that the registration under it confers no lawful right, then the criminal enactment intended to protect that right falls with it.

The questions in each of these cases being an inquiry whether these statutes can be upheld in whole or in part as valid and constitutional, must be answered in the negative, and it will be

So certified to the proper circuit courts.

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