TRADE-MARK: -- In Re. RIGHT TO REGISTER TRADE-MARK "9-O-5 or Nine-O-Five" applied to whiskies and other intoxicating liquor on ground former registration of said trade-mark was legally extinguished by either abandonment or by cessation of business on the part of owner thereof.

November 22, 1933.

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Honorable Dwight H. Brown
Secretary of State
Jefferson City, Missouri

Dear Sir:

Your letter of November 17, addressed to this department, reads as follows:

> "We wish to have an opinion on the enclosed application for trade-mark "9-O-5 or Nine-O-Five" to be applied to Whiskies, Wines, Brandies, Gin and cordials. We now have in our files and on our register a trade-mark of the same and for the same products filed by a Corporation which we understand is now defunct. In order to expedite matters we are also enclosing the former application which we desire to have return at your earliest convenience."

The application you enclose is an application for registration of certain words to-wit, Nine-O-Five 9-O-5 to be applied as a trade-mark to whiskies, wines, brandies, gin and cordials. You enclosed an application for a trade-mark "9 O 5" (Nine-O-Five) made on the first day of August, 1898, by the W. Schneider Wholesale Wine and Liquor Co., City of St. Louis, State of Missouri, a corporation organized under the laws of Missouri and doing business at that time at 905 and 917 Franklin Avenue, St. Louis, Missouri, as wholesale and retail wine and liquor dealers. This application

was accepted by your office and the number 9 0 5 as a trade-mark was described in said application as follows:

> "The said trade-mark consists of, represents and is designed as follows:
>
> By the number "9 0 5" in prominent gilt figures on red-colored ground, surmounted by a female figure in a sitting posture holding in her right hand a sword and in her left hand a pair of scales, said figure representing the goddess of Justice; and underneath of said number "9 0 5" the firm name inscribed in the following manner, to-wit:
>
> Trade-Mark
>
> W. Schneider
>
> Wholesale
>
> Wine and Liquor Co.,
>
> St. Louis, Mo.
>
> The said trade-mark being subject however to such variety of color and style of letters as may be deemed expedient."

Your letter states that it is your understanding that the corporation is now defunct. I understand that this trade-mark is registered in your office to the above named applicant therefor, a corporation, and that the records in your office show that the said corporation is no longer in existence and is no longer carrying on business.

"Abandonment" in trade-mark law is the giving up of a trade-mark. Abandonment includes both intention to abandon and an external act by which the intention is carried into effect. It must be an act which shows determination not longer to enjoy the right. Clark Thread Co., v. Armitage, 67 Fed. 896.

Abandonment is purely a question of intent. In Saxlehner v. Eisner, 179 U. S. 19, involving the right, in this country, to the trade-mark of Austrian Bitter Water known as "Hunyadi", the Federal Supreme Court said:

> "To establish the defense of abandonment it is necessary to show, not only acts indicating a practical abandonment, but an actual intent to abandon, since acts which, unexplained, would be sufficient to establish an abandonment, may be answered by showing that there never was an intention to give up and relinquish the right claimed."

Lapse of time is merely one circumstance among others to be taken into account in determining whether or not an intentional abandonment is to be inferred. The general rule is that trade-mark rights are not lost by mere non-user, but that there must be an intention to abandon the trade-mark or a distinct element of estoppel that will make it inequitable to allow the original owner to claim exclusive right to use the trade-mark after a period of non-user.

In the well-known case of the Carthusian monks in 221 U. S. 580, it was held that neither a non-user nor the adoption of a new trade-mark constitutes abandonment where the circumstances surrounding the course taken are consistent with the intention to retain the right to use the old "mark".

In this case of Carthusian monks, that body had been compelled to leave France and their property was seized by the French Government and ultimately purchased by a new company which, by authority of the French law, manufactured a cordial which was called "Chartreuse". The Monks had gone to Spain where they manufactured their cordial by the original formula but were obliged, at least in France, to apply a different trade-mark to it.

Père Baglin, Superior General of the Order of Carthusian Monks, for himself and the other members of the Order, brought a bill in equity in the New York Federal

Court to restrain the French company from selling its "Chartreuse" under the trade-mark of the Carthusian Monks in the United States. The facts were that for several hundred years, prior to 1903, save for a brief period following the French Revolution - the Order of Carthusian Monks occupied the Monastery of the Grande Chartreuse, near Voiron, in the Department of Isere, in France. This was their Mother House. There, by a secret process, they made the liqueur or cordial, which upwards for half a century had a world wide trade under the name of "Chartreuse". The product was marketed here and abroad, in bottles of distinctive shape to which were attached labels bearing the inscription, "Liqueur Fabriquee a la Gde. Chartreuse," with a facsimile of the signature of L. Garnier, a former Procureur of the Order, and its insignia, a globe, cross and seven stars; and these symbols with "Gde. Chartreuse" underneath were also ground into the glass.

This trade-mark was registered three times in this country - first in 1876.

The French company manufactured its product at the same place in France at which the Monks had manufactured their product, and the French Company advertised it in this country under the trade-mark belonging to the Carthusian Monks. The court held that the Carthusian Monks owned the trade-mark and the fact of their being compelled to cease business did not destroy their right to the trade-mark because they only ceased business in France, from which country they were driven, but continued their business in Spain and the court said, the Carthusian Monks were entitled to the claim and protection of their trade-mark and enjoined the French company.

However, four years of disuse has been held not to constitute abandonment. Burke v. Tucker, 178 Mass. 493.

In the case of Hannis Distilling Company v. Torrey, (D. C.) 32 App. Cas. 530, it appeared, the Hannis Distilling Company appealed from a decision of the Commissioner of Patents dismissing its notice of opposition to the registration by appellee, George W. Torrey Company, of the words "Torrey's Old Mt. Vernon Rye, 24 So. Market St., Boston, Established 1836," as a trade-mark for whiskey. The notice of opposition alleges that appellant has used the words "Mount Vernon" as a trade-mark for whiskey continuously since 1860. The court said that the sole question before it was priority of use and found that the evidence established the use by appellee and his predecessor in business as early as 1847 or 1848.

It was contended, however, that the appellee abandoned the use of its "mark" for twenty years, between 1855 and 1875. The facts, however, showed that during the period mentioned, of twenty years, the law restricted the sale of liquor and the court held that, as appellee had acquired the right to and use of the "mark" prior to 1855, it could not be lost by any forced restriction that might have been placed temporarily upon the sale of liquor in the State of Massachusetts.

Without having any knowledge on the question as to whether or not the W. Schneider Wholesale Wine and Liquor Company used the trade-mark continuously up to the time Federal Prohibition became operative under the Eighteenth Amendment, still it is a matter of common knowledge that, after the Eighteenth Amendment became operative, such trade-mark could not be legally used because the liquors could not be sold legally. If the W. Schneider Wholesale Wine and Liquor Company had not gone out of business and would, after December 5, assert its right to the trade-mark, I do not think that anyone else could legally claim same or register the same trade-mark in this State.

It appears, however, from a statement in your letter that you understand the W. Schneider Wholesale Wine and Liquor Company is now defunct and has discontinued the business in connection with which the trade-mark herein under consideration was used. Assuming that the W. Schneider Wholesale Wine and Liquor Company discontinued the business, in connection with which the trade-mark owned by it was used, it is the opinion of this department that the trade-mark no longer exists and must be considered as abandoned because the trade-mark cannot exist separate and apart from the business with which it has been connected. The corporation is dead and the business has been discontinued and this amounts to a legal abandonment of the trade-mark.

This department has no information to the effect that the business and the trade-mark was assigned, and no assignment of the trade-mark noted in the records of your office prior to the time the corporation owning the trade-mark ceased to exist.

In the case of Rice-Stix Dry Goods Company v. Schwarzenbach-Huber Co., 47 App. Cas. (D. C.) page 249, it was held,

> "Use of a word as a trade-mark cannot be predicated upon an assignment of the mark by the former member of a dissolved copartnership, who on dissolution of the firm did not continue its business. Under such circumstances, the mark becomes abandoned and subject to appropriation by anyone."

The point is that the property right in the trade-mark is dependent upon the continuous use of the "mark" in the business in connection with which the trade-mark is registered and used; and, when the business ceases, the trade-mark is abandoned and subject to appropriation by anyone.

Assuming that the business of the owner of this trade-mark, W. Schneider Wholesale Wine and Liquor Co., was discontinued years ago when the corporation ceased to exist, it is the opinion of this department that the trade-mark is abandoned and subject to appropriation by anyone.

We return herewith the application of Sidney Altman - accompanied by one dollar bill which is attached to the application - for registration of the above named trade-mark, also the application of W. Schneider Wholesale Wine and Liquor Company of August 1, 1898 for registration of the above named trade-mark, together with the letter dated August 2, 1898 to the Secretary of State, by Richard Koster enclosing application for trade-mark and registration thereof.

Please acknowledge receipt of these enclosures.

Respectfully yours,

APPROVED:

EDWARD.C. CROW
Assistant Attorney-General.

ROY McKITTRICK
Attorney-General.