

Opinion No. 339.

Trade-Marks—Trade Names.

HELD: "Trade-mark," as defined by Section 4286, R. C. M. 1935, covers businesses as well as goods, and therefore the name "PICK 'N' PAY" is entitled to registration as provided by Section 4287.

October 11, 1938.

Hon. Sam W. Mitchell
Secretary of State
The Capitol

Dear Mr. Mitchell:

You have submitted the question whether you should accept, for registration, as a trade-mark or name, the designation or name "PICK 'N' PAY." The answer to this question turns upon the meaning of Section 4286, R. C. M. 1935, which reads:

"The phrase 'trade-mark,' as used in this chapter, includes every description of word, letter, device, emblem, stamp, imprint, brand, printed ticket, label, or wrapper usually affixed by any mechanic, manufacturer, druggist, merchant, or tradesman, to denote any goods to be goods imported, manufactured, produced, compounded, or sold by him (other than any name, word, or expression generally denoting any goods to be of some particular class or description), or the designation or name for any mill, hotel, factory, or other business." (Parenthesis and underscoring ours.)

In order to discover the intention of the legislature, let us analyze this section. The first part, as far as the parenthesis, has to do with "goods"

exclusively. Then follows the exception, the words we have placed within parenthesis, which also relates to "goods." Had the legislature ended this section with the word "description," the end of the exception relating to "goods," there would have been no doubt as to the scope and meaning of this section, for all would have related to "goods." What was the purpose of the legislature in adding the phrase "or the designation or name for any mill, hotel, factory, or other business?" Was it for the purpose of including it in the exception which we have placed in parenthesis? Such purpose seems absurd for the reason that everything preceding the clause we have quoted has to do with goods and therefore there was no need of adding these words if it was the intention to restrict "trade-marks" to goods and to exclude businesses, as that would have been very effectively accomplished if these words had not been added at all and a period had been placed after the word "description."

We are therefore confronted with the other alternative, that in adding these words it was the intent of the legislature to enlarge the scope of the act so that the word "trade-mark" should include "the designation or name for any mill, hotel, factory, or other business," as well as to "goods." We cannot think that the legislature would purposely have done a needless and absurd thing. Instead, we must conclude that the legislature, treating one subject at a time, intended to define "trade-mark" as covering the two subjects "goods" and businesses. This intention seems quite apparent from the wording of the section itself and without going beyond it. Such a construction, we think, is logical and makes good sense.

This question was considered by Attorney General Matson in his opinion to you dated December 1, 1936, Volume 17, Opinions of the Attorney General, No. 2, where, after reviewing the history of this section and comparing it with the California statute, he said:

"It now becomes apparent that the phrase had its origin in early territorial law. The legislature must have intended to add to the definition of trade-mark as contained in the California statute which it adopted. Our

statute, therefore, has the orthodox definition of trade-mark, as do the California and Field Codes, but in addition it provides: 'The phrase 'trade mark' as used in this chapter, includes * * * the designation or name for any mill, hotel, factory, or other business.' It must have been the intention of the legislature to provide in that section for the recording of trade names for any mill, for any hotel, for any factory, or for any other business."

We agree with the conclusion reached in that opinion.

Attention is called to the opinion of Attorney General Foot in Volume 13, Opinions of the Attorney General, 178. The question submitted to him was whether a person was entitled to register the trade name "General Used Car Market." We agree with the conclusion that he reached to the effect that this name or designation was not one entitled to registration as a trade-mark for the reason that these words are merely descriptive of the business carried on. The Attorney General cited *Esselstyn v. Holmes*, 42 Mont. 507, 114 Pac. 118, which was a case concerned only with the trade-mark or name of goods, to-wit: "Owl Creek Coal." No property right could be acquired in the designation or name of "General Used Car Market" because Section 6812, R. C. M. 1935, expressly prohibited it. This section reads:

"One who produces or deals in a particular thing, or conducts a particular business, may appropriate to his exclusive use, as a trade-mark, any form, symbol, or name which has not been so appropriated by another, to designate the origin or ownership thereof; but he cannot exclusively appropriate any designation, or part of a designation, which relates only to the name, quality, or the description of the thing or business, or the place where the thing is produced, or the business is carried on."

Clearly, the name there in question was merely descriptive of the business carried on and the last part of the section above quoted does not permit the appropriation of such name to one's exclusive use. Aside from the statute, the common law would not have given

him any exclusive right to such name or designation.

We cannot agree, however, with the statement expressed by Attorney General Foot in the second paragraph of his opinion. This statement is not supported by any authorities nor was any reasoning advanced by him. As we have shown herein, any conclusion that the legislature intended to restrict rather than extend the scope of Section 4286 leads to an absurdity.

Furthermore, Sections 4286 and 6812 are *in pari materia* as they relate to the same general subject. In the construction or interpretation of a statute all acts relating to the same subject or having the same general purpose should be read in connection with it, as together constituting one law. (*Putnam v. Putnam*, 86 Mont. 135, 282 Pac. 855.) In other words, they should be construed in harmony. (59 C. J. 1038.) Section 6812, *supra*, gives one who conducts a particular business the right to appropriate as a "trade-mark" any name which has not been appropriated by another, subject to the limitation to which we have called attention above. This is in harmony with the construction which we have placed upon Section 4286, *supra*. It certainly would be inconsistent to permit a person to appropriate and acquire a property right in a trade-mark for a business and at the same time deny him the right to register such trade-mark. We find nothing in the history of these sections which would deny the application of this rule of construction. The interpretation we have placed upon Section 4286 is also in harmony with Section 8024, R. C. M. 1935, which requires one doing business under a fictitious name to file a certificate. While the purpose of the latter section is protection to the public, it recognizes the right to attach a fictitious or trade name to a business.

A statute, in case of ambiguity, should be construed with reference to the common law in force at the time of its passage. (59 C. J. 1039, Section 617.) That the common law recognized the right to acquire a trade-mark or name in a business and also protected such right, cannot be questioned. (63 C. J. 342, Sections 39 and 40; *Id.*, 322.)

Finally, we are unable to find any good reason why the scope of the statute should be limited to "goods"

and not extended to businesses, when the limitation found in the latter part of Section 6812 is taken into consideration. (See 63 C. J. 322, Section 14 et seq.) In said Section 14, the text-writer states:

“Exclusive trade-names are protected very much on the same principles as trade-marks. * * *

“No distinction in fact or principle can be found between a trade-name and a trade slogan.”

And in Section 16 Id., it is stated:

“Trade-names are property.”

In *Esselstyn v. Holmes*, 42 Mont. 507, 516, Chief Justice Brantly said:

“It cannot be doubted that upon principles analogous to those which apply to technical trade-marks, a person may be protected in the exclusive use of his own name or that of a place, building or other designation selected by him and by use of which, in connection with his business, he has acquired for it a valuable goodwill.”

While Section 4286 is not a grammatical model, rules of grammar are not controlling when an intent in conflict with such rules is disclosed. Such rules as stated in 59 C. J. 989, Note 6, “cannot be allowed to defeat the legislative intent as expressed in the statute **construed as a whole and in connection with other acts in pari materia.**” (Emphasis ours.)

For the foregoing reasons I am of the opinion, on the facts you have submitted, that the name in question, although it applies to a business rather than goods, is within the meaning of the word “trade-mark,” as defined by Section 4286, R. C. M. 1935, and that it may be recorded as provided by Section 4287 Id.