decision[35] and consideration been given to the "probable immediate and future effects which pre-emption of the share of the market" would have on competition, the same results could no doubt have been reached.

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Trade Regulations—Trade Names—Nonnecessity of Proving Secondary Meaning.—*Lincoln Restaurant Corp. v. Wolfies Rest. Inc.*[1]—Plaintiffs are the proprietors of two well-known restaurants and sandwich shops both called "Wolfies," in Miami Beach, Florida. Plaintiffs spend about $25,000 annually for advertising, mostly in the Miami area. Defendant,[2] with knowledge of plaintiff's prior use, opened a restaurant called "Wolfies" in Brooklyn, N.Y. It was conceded that at least 5,000 Brooklynites visit Miami Beach every year. After plaintiff initially objected to defendant's use of the name, defendant added a legend—"not connected with any other establishment"—to its menu.[3] Defendant's menu was otherwise similar in color and format to that of plaintiff and featured such items as "Wolfie's Floridian Style French Toast," "Wolfie's Floridian Style Fountain Creations," and "Wolfie's Floridian Style Sundae Delights."[4] The District Court enjoined defendant's use of the name, the plaintiff's having waived all damages.[5] The Court of Appeals affirmed. HELD: Defendant's use of the name "Wolfies" for his Brooklyn restaurant, with intent to trade on the reputation of plaintiff's restaurant of the same name in Miami, constitutes unfair competition, even without a finding of secondary meaning.

As originally conceived, unfair competition was a "convenient name for the doctrine that no one should be allowed to sell his goods as those of another."[6] Most all the definitions of unfair competition found in opinions of the courts were written in terms of "passing off."[7] "Traditionally, the the action of 'passing off' or 'palming off' has required proof that a fraud is being perpetrated, *i.e.*, that the defendant is so foisting his product on the market that there is resulting confusion or likelihood of confusion as to its source in the mind of the buying public."[8] The critical question was whether the public was moved to buy the article because of its source.

The part played by secondary meaning[9] in proving public confusion

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35 Supra note 23.

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1 291 F.2d 302 (2d Cir. 1961).

2 As brought out at the trial, none of the defendant owners was named Wolf.

3 These words were written in red 1/16 inch letters at the bottom of the center or inside of the menu. The trial court found that the legend did little to remedy the existing similarity.

4 The defendants contended that this terminology was suggestive of "flowers" rather than Florida.

5 185 F. Supp. 456 (E.D.N.Y. 1960).

6 Vogue Co. v. Thompson—Hudson Co., 300 Fed. 509, 512 (6th Cir. 1924).

7 1 Nims, Unfair Competition and Trademarks § 4, at 30 (4th ed. 1947).

8 Speedry Products Inc. v. Dri Mark Products Inc., 271 F.2d 646, 648 (2d Cir. 1959).

9 Merriam v. Saalfield, 198 Fed. 369, 373 (6th Cir. 1912):

The secondary meaning theory . . . contemplates that a word or phrase origihas been somewhat inconsistent and muddled. Where the trade name sought to be protected is composed of words denoting a geographical area or words of description, the courts have required the senior appropriator to prove that his trade name has acquired a secondary meaning.[10] This requirement has been adopted because geographical and descriptive words are considered to be, in their primary sense *publica juris*, the property of all.[11] However, upon the establishment of an attaching secondary meaning, the name will be removed from the public domain and the junior appropriator will be enjoined.[12]

As for trade names comprised of unique words, there seems to be no absolute necessity of showing secondary meaning as a requisite for an injunction.[13] By its very nature, a unique name does not belong to the public, and thus its exclusive appropriation need not be so closely scrutinized. As to this latter class of trade names, the establishment of an attaching secondary meaning should not be a condition precedent to plaintiff's success, as it is where the name is composed of descriptive and geographical words. Secondary meaning, in such a case, merely becomes a *means* by which confusion of source or likelihood of such confusion can be shown. "The issue is not whether the first user has a legal right to exclusive appropriation of his trade name, but rather, has the second user's usurpation of the exact or similar name promoted confusion or deceit on the public."[14]

> nally, and in that sense primarily, incapable of exclusive appropriation with reference to an article on the market, because geographically or otherwise descriptive, might nevertheless have been used so long and so extensively by one producer with reference to his article that, in that trade and to that branch of the purchasing public the word or phrase had come to mean that the article was his product; in other words, had come to be, to them, his trademark. So it was said that the word had come to have a secondary meaning.

[10] Merriam v. Saalfield, id.; Computing Scale Co. v. Standard Computing Scale Co., 118 Fed. 965, 967 (6th Cir. 1902); 88¢ Stores, Inc. v. Martinez, 361 P.2d 809, 811 (Ore. 1961); Atlantic Monthly Co. v. Frederick Ungar Publishing Co., 197 F. Supp. 524 (S.D.N.Y. 1960).

[11] General Industries Co. v. 20 Wacker Drive Bldg. Corp., 156 F.2d. 474, 476 (7th Cir. 1946); Merriam v. Saalfield, 198 Fed. 369, 373 (6th Cir. 1912):

> Primarily, it would seem that one might appropriate to himself for his goods any word or phrase that he chose; but this is not so, because the broader public right prevails, and one may not appropriate to his own exclusive use a word which already belongs to the public and so may be used by any one of the public.

[12] Draper v. Suerrett, 116 Fed. 206 (E.D. Pa. 1902):

> Although a trade name is of such a character that it cannot be monopolized as a trade-mark, it may by use acquire a secondary meaning, as designating the goods of a particular manufacturer, which will entitle him to an injunction against its use by another, as unfair competition . . . .

Id. at 207.

Hartzler v. Goshen Churn and Ladder Co., 55 Ind. App. 455, 104 N.E. 34 (1914); Schwartz v. Hampton, 219 N.Y.S.2d 106 (Sup. Ct. 1961).

[13] Arrow Distilleries v. Globe Brewing Co., 117 F.2d 347, 351 (4th Cir. 1941) (". . . coined or fanciful marks or names should be given a much broader degree of protection than words in common use. . . ."); Durable Toy & Novelty Corp. v. J. Chein & Co., 133 F.2d 853 (2d Cir. 1943).

[14] Restatement, Torts § 730, comment *b* (1938).

In the principal case,[15] the majority of the court goes to great lengths to show that the Floridian "Wolfies" has come to be known by the inhabitants of Brooklyn. Seemingly, the only logical purpose for this discussion was to lay a foundation for a subsequent finding of consumer confusion or likelihood thereof. Since the name "Wolfies" might be described as unique,[16] as opposed to a word used in a generic sense, there should be no absolute necessity of establishing that a secondary meaning had attached to plaintiff's trade name. Plaintiff had only to show that the defendant was conducting this business in such a way that there was likelihood of confusion as to the source of the enterprise in the minds of the buying public. A presumption of such confusion could have been inferred from the court's finding that defendant designedly appropriated plaintiff's trade name.[17] Every element of a valid cause of action based on the traditional theory of passing off was present. However, at this point, the court, instead of enjoining the defendant on the grounds referred to above, elected as a basis for its decision a comparatively new offspring of the law of unfair competition commonly referred to as "unfair business conduct".[18]

This concept had its origin in *International News Service v. Associated Press*,[19] wherein the United States Supreme Court enjoined the Associated Press from copying the plaintiff's news reports on grounds of unfair competition notwithstanding a finding that the traditional elements of unfair competition were missing. As stated by Mr. Justice Pitney in the majority opinion:

> It is said that the elements of unfair competition are lacking because there is no attempt by defendant to palm off its goods as those of the complainant, characteristic of the most familiar, if not the most typical cases of unfair competition. (Citations omitted.) But we cannot concede that the right to equitable relief is confined to that class of cases . . . .[20]

In New York, the *International News* case has served as foundation upon which the courts have built an enjoinable cause of action based solely on "unfair business practices". This concept was aptly stated in *Norwich Pharmacal Co. v. Sterling Drug, Inc.*:

> Distaste for sharp or unethical business practices has often caused the courts to lose sight of the fundamental consideration in the

[15] Supra note 1.

[16] Judge Moore, in his dissenting opinion, questioned the uniqueness of the name "Wolfie" asking ". . . but quaere whether a restaurant operator using a soubriquet in its familiar or diminutive form 'Wolfie' can in this day and age claim such uniqueness . . . ." 291 F.2d at 305.

[17] Restatement, Torts § 732, comment *a* (1938):

> . . . On this issue, the good or bad faith of the alleged infringer is an important factor. If he imitates the other's trade-mark or trade name and knowingly acts in other ways to convey the impression that his business is associated with the other, the inference may reasonably be drawn that there are prospective purchasers to be misled.

[18] Norwich Pharmacal Co. v. Sterling Drug, Inc., 271 F.2d 569, 571 (2d Cir. 1959).

[19] 248 U.S. 215 (1918).

[20] Id. at 241-42.

law of unfair competition—protection of the public. Added to this standard is a developing body of law which pertains only to business conduct, namely, that a court of equity will restrain such practices as constitute palming off, actual deception or appropriation of another's property.[21]

The palming off referred to in the *Norwich* case emphasizes the factor of *intent*. Did the second user intend to appropriate the first user's trade name with its resultant benefits? This is not to be confused with the traditional theory of palming off which necessitated a finding of public confusion. The former protects the first user from immoral business practices, while the latter emphasizes protection of the public. No longer is it necessary for the senior appropriator to prove that the public was misled, if he can establish that the imitator's actions are "unfair according to principles recognized in equity."[22] It must be remembered that this non-necessity of establishing consumer confusion is strictly limited to situations where the theory of recovery is based solely on the wrongful intent of the defendant to appropriate the plaintiff's trade name and his good will. Where the second user innocently appropriated the first user's trade name, a showing of consumer confusion is still considered a requisite by courts seeking to enjoin on the basis of unfair competition.[23]

The court in the principal case correctly recognized that the defendant's wrongful motives, as evidenced by the copying of plaintiff's menu and the contents therein, brings the factual situation within the area of palming off as defined in *Norwich Pharmacal Co. v. Sterling Drug, Inc.*[24] The finding of the court that the defendant *intended* to trade on the plaintiff's reputation and name is sufficient, in itself, to give rise to an injunction. The establishment of a secondary meaning thus becomes irrelevant since the court is directing its protection towards the first user and not towards the public. With this distinction in mind it is difficult to understand why the court found it necessary to delve into the issue of existing confusion.

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21 Supra note 18, at 571.

22 Bliffcroft of Hollywood v. United Plastic Co., 189 F. Supp. 333, 338 (S.D.N.Y. 1960); accord, Santa's Workshop, Inc. v. Sterling, 282 App. Div. 328, 122 N.Y.S.2d 488 (1953); Upjohn Co. v. Schwartz, 246 F.2d 254 (2d Cir. 1957).

23 Anderson v. National Broadcasting Co., 178 F. Supp. 762 (S.D.N.Y. 1959):

> The absence of any claim of predatory conduct such as palming off or actual and intentional deception upon the public narrows the issue to the claimed right of plaintiff to the exclusive use of the title "The Plainsman" . . . . Thus, to succeed, he must prove secondary meaning, plus likelihood of confusion.

Id. at 764-65:
In accord, Worthington Products, Inc. v. Lister Industries, Inc., 215 N.Y.S.2d 783 (Sup. Ct. 1961); Safeway Stores, Inc. v. Safeway Properties, Inc., 197 F. Supp. 938 (S.D.N.Y. 1961); Zandelin v. Maxwell Bentley Mfg. Co., 197 F. Supp. 608 (S.D.N.Y. 1961).

24 Supra note 19.