

THE SCOTCH WHISKY ASSOCIATION,	}	IPC No. 14-2004-00124
Opposer	}	Opposition to:
	}	
-versus-	}	Appl. Ser. No. 4-2000-07558
	}	Date Filed: September 6, 2000
	}	
MC DOWELL AND CO., LTD.,	}	Trademark: "SINGLE MALT"
Respondent-Applicant.	}	Decision No. 2006-23
x-----x		

DECISION

This pertains to an Opposition commenced by Opposer THE SCOTCH WHISKY ASSOCIATION, a trade association for the Scotch Whisky Industry with registered office at 20 Atholl Crescent, Edinburgh, EH3 8HF, Scotland against the application for registration of the trademark "SINGLE MALT" used for whisky, wines, alcoholic beverages and liquors under Application Serial No. 4-2000-07558 and filed on September 6, 2000 by herein Respondent-Applicant MCDOWELL & CO., LTD., an Indian corporation, with address at McDowell House, 3, Second Line Beach, P.O. Box no. 36, Mandras, 600 001, India.

The subject trademark application was published for opposition on July 5, 2004 on page 214, Volume VII, No. 3 issue of the Intellectual Property Office Official Gazette.

The Verified Opposition was filed on September 2, 2004 wherein Opposer relied on the following facts and claim in support of its opposition, to wit:

"1. "Scotch Whisky" is a whisky wholly produced in Scotland in accordance with United Kingdom legislation. It is the largest selling whisky in the world and also the largest selling imported whisky in the Philippines;

"2. Whisky has been produced in Scotland for hundreds of years. The oldest historical record of its production dates from 1494. Over the years "Scotch Whisky" has acquired a great reputation throughout the world. There are two kinds of Scotch Whisky: Malt Whisky which is made by the Pot Still process and Grain Whisky which is made by the Patent Still (or Coffey Still) process. Malt Whisky is made from malted barley together with unmalted barley and other cereals.

"3. The applicant is seeking to register the mark "SINGLE MALT" for whisky, wines, alcoholic beverages and liqueurs;

"4. The phrase "SINGLE MALT" is a term used in the Scotch Whisky Industry to describe a Scotch Malt Whisky that has been distilled entirely from malted barley at one distillery. The phrase is therefore descriptive and not distinctive.

"5. There are currently around 103 Scotch Whisky distillers, of which around are malt distilleries. The term "Single Malt" appears on the labels of Scotch Whiskies produced at malt distilleries to indicate that they are the products of one malt distillery only. The term sometimes appears along with a reference to the region of Scotland in which the relevant distillery is located (Highland, Speyside, Islay or Lowland). Examples of such Scotch Whiskies are GLENFIDDICH, THE GLENLIVET, THE MACALLAN, ABERLOUR, AN CNOC, ARDBEG, AUCHTERAR, BLAIR ATHOL, BOWMORE, CHIEFTAIN'S CHOICE, CONNOISSEURS CHOICE, CRAGGANMORE, DALWHINNIE, DEANSTON,

DRUICHAN ISLAY, GLENANDREW, GLEN ARDOCH, GLEN DEVERON, GLENDRONACH, GLENDULLAN, GLEN ELGIN, GLENESK, GLENFARCLAS, GLENGARIOCH, GLENGOYNE, GLENKINCHIE, GLEN KIRK, GLENLANARACH, GLENMORANGIE, GLEN MORAY, GLENORD, GLEN ORDIE, GLEN PARKER, GLEN RANOCH, GLEN ROTHES, GLEN SHIRA, GLEN SPEY, GLEN TORRAN, GLENTURRET, GLENVALE, HIGHLAND PARK, ISLE OF JURA, KINCAPLE, KNOCKDHU, LEDAIG, ROYAL LOCHNAGARM LONGMORN, OLD PULTENEY, TALISKER and TAMDHU.

“6. The term “Single Malt” is therefore a term common to the Scotch Whisky trade. It is featured on the labels of “Single Malt Scotch Whiskies” sold throughout the world, including in the Philippines.

“7. When used in relation to Scotch Whisky, the term “Single Malt” indicates a kind of Scotch Whisky, i.e. one that has been produced entirely from malted barley and distilled in pot still at one distillery. The term cannot be appropriated and registered as a trademark because a phrase which is merely descriptive of the character, quality or composition of an article cannot be protected as a trademark to the exclusion of others since other persons producing similar articles also have the right to describe their goods properly using the appropriate language or words; and

“8. In summary, the registration of “SINGLE MALT” is proscribed by the IP Code as the term is merely descriptive of a kind of whisky and hence, is not distinctive. It is a term common to the Scotch Whisky trade. Through The Scotch Whisky Association (TWSA), Scotch Whisky producers are entitled, *inter alia*, to protect terms that are common to their trade. For the foregoing reasons, the trademark application for “SINGLE MALT” should be denied.”

In answer thereto, Respondent-Applicant stated the following affirmative allegations and defenses:

“1. The instant opposition states no cause of action and the Opposer has no right of action whatsoever against herein Respondent-Applicant;

“2. There is absolutely no allegation whatsoever in the Notice of Opposition that Opposer would be damaged by the registration of the mark “SINGLE MALT” in favor of herein Respondent-Applicant. Hence, the instant Notice of Opposition states no cause of action;

“3. Opposer has not filed any application for the registration of nor own for that matter any registration for the mark “SINGLE MALT” in the Philippines or in any other jurisdiction. Otherwise stated, Opposer absolutely no intellectual property rights over the mark “SINGLE MALT”. Hence, it has not right of action against herein Respondent-Applicant.

“4. Contrary to Opposer’s erroneous claim and conclusion, Respondent-Applicant’s mark “SINGLE MALT” is not in any manner descriptive of the goods or products covered by Application Serial No. 4-2000-07558. It is actually non-descriptive and therefore quite distinctive.

“5. The determination of whether or not a particular mark that is sought to be registered is descriptive of the goods that it covers rests entirely within the discretion of the Intellectual Property Office. It was never intended to be left to the whims and caprices of third parties like herein Opposer.

“6. Needless to state, the Intellectual Property Office has already made its own determination on that Respondent-Applicant’s mark “SINGLE MALT” is not in any manner descriptive of the goods covered by Application Serial No. 4-2000-007558. Thus, the said application was allowed and the same proceeded to publication for purposes of opposition by any person who believes that he would be damaged by the registration thereof but certainly not for the purposes of making a determination of whether or not the mark is descriptive and non-distinctive.

“7. Even assuming for the sake of arguendo that, as alleged in paragraph 7 of the Notice of Opposition, “the phrase “SINGLE MALT” is used in the Scotch Whisky Industry to describe a Scotch Malt Whisky that has been distilled entirely from malted barley at one distillery”, the same does not necessarily mean that Respondent-Applicant’s mark “SINGLE MALT” is already descriptive of the goods covered by Application Serial No. 4-2000-007558. Indeed, the phrase may be used in Scotland to describe of a particular type of Scotch Whisky. However, it is not used anywhere else in the world to describe the goods or products covered by Application Serial No. 4-2000-007558;

“8/ That the goods and products carrying Respondent-Applicant’s mark “SINGLE MALT” as covered by Application Serial No. 4-2000-007558 are clearly and properly labeled as having been produced, manufactured and/or distilled in India. They can never therefore be mistaken for Scotch Whisky which by the way is merely a sub-group or specie of whisky.”

During the Pre-Trial Conference of the case scheduled on January 27, 2005, the parties manifested their desire to submit the case to mediation proceedings hence, mediation conference proceeded on June 21, 2005.

On September 15, 2005, through an Order issued by the chosen Mediator, the case was declared a failure after the parties failed to arrive at a compromise agreement despite great and earnest efforts exerted by the parties as well as the Mediator. Thus, this case was referred back to the Bureau of Legal Affairs for further proceedings.

Due to the promulgation of Office Order No. 79, Series of 2005, which took effect on September 1, 2005, this case was mandatorily covered by the summary rules considering that the pre-trial conference of the case has not yet been terminated thus, the Opposer and Respondent-Applicant were directed to submit file their respective evidences in compliance with the provisions of said Office Order No. 79 within thirty (30) days from receipt of the Notice to Comply.

Opposer filed its Compliance on January 11, 2006 submitting in evidence the following exhibits in support of its opposition:

EXHIBIT	DESCRIPTION
“A”	Certified copy of Memorandum and Articles of Association of The Scotch Whisky Association
“B”	Original copy of the names and locations of the distillers and main geographical classifications of the Scotch Malt Whisky distilleries.
“C” – series	Certified copy of sample labels of Scotch Whiskies with “SINGLE MALT”
“D”	Certified copy of The Scotch Whisky Association’s list of members
“E”	Certified copy of the Scotch Whisky Order of 1990
“F”	Certified copy of the Scotch Whisky Act of 1988
“G”	Original copy of SWA’s published Statistical Report 2003

"H"	Certified copy of printout of SWA's records showing Scotch Whisky sales to the Philippines from 1987 to 2003
"I"	Certified copy of excerpt from the IWSR report on the Single Malt Scotch Whiskies sold in the Philippines in recent years
"J"	Certified copy of excerpt from the "Complete Book of Whisky"
"K"	Certified copy of excerpt from "The World Guide to Whisky"
"L"	Certified copy of excerpt from the "Malt Whisky Companion"
"M"	Certified copy of printout from the website of Suntory
"N"	Certified copy of printout from the website of McDowell
"O" – series	Certified copies of notices received by SWA on McDowell applications to register descriptive cocktails, i.e. Piña Colada, Screw Driver, Bloody Mary and Tom Collins
"P"	Affidavit if Ian Glen Barclay
"Q"	Affidavit of Joseph Joemer C. Perez (with sub-marked exhibits attached thereto) affidavit of Joel de Castro (with sub-marked exhibits attached thereto)
"R"	Affidavit if Joel de Castro (with sub-marked exhibits attached thereto)

Respondent-Applicant likewise filed its Compliance on January 11, 2006, consisting of the following documentary evidence:

EXHIBIT	DESCRIPTION
"1"	Legalized and authenticated affidavit of Respondent-Applicant's witness, Mr. Mahesh Nedungadi
"2"	Certified copy of Respondent-Applicant's Indian Trademark Application No. 728875
"3"	Certified copy of Respondent-Applicant's Indian Trademark Application No. 78707
"4"	Certified copy of Respondent-Applicant's New Zealand trademark Application No. 617093
"5"	Certified copy of Respondent-Applicant's Bhutanese Trademark Application
"6"	Certified copy of Respondent-Applicant's Chinese Trademark Application No. 320119
"7"	Photocopy of Bill of Lading No. BOM/DOH/14991
"8"	Photocopy of Bill of Lading No. C011083
"9" – series	Photocopy of packing lists
"10" – series	Certificates issued by M. Ravi Raj, a Chartered Accountant
"11" – series	Advertising materials
"12" - series	Labels of the mark "Single Malt" as actually used by Respondent-Applicant in commerce

After the submission of their respective compliances, the case was set for Preliminary Conference on January 24, 2006 wherein only the counsel for Opposer appeared.

On February 17, 2006, Opposer submitted its position paper with attached draft decision and the Respondent-Applicant, on the other hand, filed its position paper on February 27, 2006 hence, this case is now deemed submitted for decision resolving the ultimate issue which is:

WHETHER OR NOT RESPONDENT-APPLICANT IS ENTITLED TO THE REGISTRATION OF THE MARK "SINGLE MALT".

It should be noted that the trademark application being opposed was filed on September 2, 2004 or during the effectivity of Republic Act No. 8293 otherwise known as the Intellectual Property Code of the Philippines. Thus, the applicable provision of law in resolving the issue involved is Sec. 123.1 (j) of R.A. 8293, which provides:

“Sec. 123. *Registrability.* – 123.1. A mark cannot be registered if it:

x x x

(j) Consists exclusively of signs or of indications that may serve in trade to designate the kind, quality, quantity, intended purpose, value, geographical origin, time or production of the goods or rendering of the services, or other characteristics of the goods or services.

x x x”

In resolving issues as to the registrability of a mark which is merely descriptive of an article of trade, or of its composition, characteristics, or qualities, the Supreme Court as early as 1955 has ruled that descriptive or generic term cannot be appropriated by single individual since they belong to the public domain.

In the case of *Ong Ai Gui v. Director of Philippine Patent Office* (96 Phil 673), the Supreme Court categorically ruled that:

“Although a combination of words may be registered as a trade-name, it is no justification for not applying the principle that the use of a descriptive or generic term in a trade-name is always subject to the limitation that the descriptive or generic term or word.”

Since it is already established under the law and jurisprudence that a descriptive or generic mark or term cannot be exclusively appropriated by any individual, a question is now posed as to whether the trademark “SINGLE MALT” sought to be registered by herein Respondent-Applicant is merely descriptive hence, cannot be properly appropriated by the Respondent-Applicant.

As correctly pointed out by Opposer, the term “SINGLE MALT” as defined in the Complete Book of Whisky is widely used to describe a particular type of whisky which is produced exclusively from malted barley and neither blended nor vatted with any other whisky (Exhibit “J”).

In fact, a perusal of the website of McDowell has even admitted that the term “SINGLE MALT” is used to describe a particular type of whisky as quoted below:

“What makes Single Malt the exclusive one is the term “single” which in itself is self-explanatory. It clearly designates that this brand is made in only one distillery and has not been blended with any spirits from elsewhere. x x x

The term “malt” indicates the raw materials, i.e. barley malt. Single Malt whisky is made exclusively from barley and no other grain or fermentable material is used.” (Exhibit “N”)

From the evidences presented, which was not refuted by Respondent-Applicant, Opposer was able to show that at least fifty (50) Scotch Whiskies include the phrase “SINGLE MALT” in their labels (Exhibit “C” – series). Some of these are “Glenfiddich SINGLE MALT Pure Malt Scotch Whisky”, “Ardbeg Finest Islay SINGLE MALT Whisky”, “Knockando Pure SINGLE MALT Scotch Whisky”, “Auchentoshan SINGLE MALT Scotch Whisky”, “Auchterar SINGLE

MALT Scotch Whisky”, “Bowmore Islay SINGLE MALT”, “Bunnahabhain SINGLE MALT Scotch Whisky”, and “Glenkinchie Lowland SINGLE MALT”.

The labels of the aforesaid Scotch Whiskies show that “SINGLE MALT” designates a kind of whisky or a process of making whisky, and that such term is not applied to Respondent-Applicant’s whisky alone, but rather commonly used by whisky distillers and bottlers in Scotland. The existence of a large number of “SINGLE MALT” Scotch Whiskies, among other evidence, support the assertion that malt whisky made from malted barley, and that in particular, “SINGLE MALT” is a term used in the Scotch Whisky Industry to describe a Scotch Malt Whisky that has been distilled entirely from malted barley at one distillery. An excerpt from the book “The World Guide to Whisky” (Exhibit “K”) also show that even in Japan, there are distillers of Single Malt whiskies since the 1980’s which use the mark “SINGLE MALT” descriptively.

Therefore, from the evidences presented, “SINGLE MALT” cannot be appropriated and registered as a trademark in the name of Respondent-Applicant since it is merely descriptive as the phrase relates to a kind of whisky produced by many distillers, particularly in Scotland.

Anent thereto, the Supreme Court in the case of Asia Brewery, Inc. v. Court of Appeals, et.al. (G.R. No. 103543, July 5, 1993), has stated that:

“A word or a combination of words which is merely descriptive of an article of trade, or of its composition, characteristics, or qualities, cannot be appropriated and protected as a trademark to the exclusion of its use by others. The reason for this is that inasmuch as all persons have an equal right to produce and vend similar articles, they also have the right to describe them properly and to use any appropriate language or words for that purpose, and no person can appropriate to himself exclusively any word or expression, properly descriptive of the article, its qualities, ingredients, or characteristics, and thus limit other persons in the use of language appropriate to the description of their manufactures, the right to the use of such language being common to all. Thus rule excluding descriptive terms has also been held to apply to tradenames. As to whether words employed fall within this prohibition, it is said that the true test is not whether they are exhaustively descriptive of the article designated, but whether in themselves, and as they are commonly used by those who understand their meaning, they are reasonably indicative and descriptive of the thing intended. If they are thus descriptive, and not arbitrary, they cannot be appropriated from general use and become the exclusive property of anyone.

x x x If the tradename consists of a descriptive word, no monopoly of the right to use the same can be acquired. This is but a corollary of the proposition that a descriptive word cannot be the subject of a trade mark.”

Respondent-Applicant, on the other hand, presented several trademark applications for the mark “SINGLE MALT” (Exhibits “2” to “6”) however, the same cannot be given much weight since mere applications are not conclusive of a mark being distinctive or descriptive or capable or exclusive appropriation.

It is also worth to note that in the Philippines, the Opposer has acquired prior registrations for the “Single Malt” Scotch Whiskies including “GLENFIDDITCH” and “GLENLIVET” as early as 1970 (Exhibit “C” – series) as compared to Respondent-Applicant’s claimed of first use in the Philippines in the year 2000. (Exhibit “1”)

From the foregoing, it can be inferred that “SINGLE MALT” has been used in the Philippines in relation to scotch whiskies at least since the 1970’s or thirty (30) years prior to Respondent-Applicant’s use of the same in relation to its whisky.

WHEREFORE, premises considered the instant Opposition is hereby SUSTAINED. Consequently, Application bearing Serial No. 4-2000-007558 filed by Respondent-Applicant MCDOWELL & COMPANY, LTD. On September 6, 2000 for the registration of the trademark "SINGLE MALT" is, as it is hereby, REJECTED.

Let the filewrapper of the trademark "SINGLE MALT", subject matter of this case be forwarded to the Administrative, Financial and Human Resource Development Services Bureau (AFHRDSB) for appropriate action in accordance with this Decision with a copy furnished the Bureau of Trademarks (BOT) for information and update of its record.

SO ORDERED.

Makati City, 05 April 2006.

ESTRELLITA BELTRAN-ABELARDO  
Director, Bureau of Legal Affairs  
Intellectual Property Office