



THE SCOTCH WHISKY ASSOCIATION,
Opposer,

-versus-

BRAINTREE TRI-MEDIA CORPORATION,
Respondent- Applicant.

X-----X

} IPC No. 14-2012-00283
} Opposition to:
} Appln. Serial No. 4-2011-012922
} Filing Date : 26 October 2011
} TM: "HIGHLAND LITE"
}
}
}
}

NOTICE OF DECISION

POBLADOR BAUTISTA REYES

Counsel for Opposer
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Legaspi Village, Makati City

BRAINTREE TRI – MEDIA CORPORATION


Respondent-Applicant
Penthouse Solar Century
Tower No. 100 Tordesillas
cor. H.V. Dela Costa Streets
Salcedo Village, Makati City

GREETINGS:

Please be informed that Decision No. 2014 - 06 dated January 13, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, January 13, 2014.

For the Director:


Atty. EDWIN DANILO A. DATING
Director III
Bureau of Legal Affairs



**THE SCOTCH WHISKY
ASSOCIATION,**

Opposer,

-versus-

BRAIN TRI-MEDIA TREE CORPORATION,
Respondent-Applicant.

x-----x

IPC NO. 14-2012-00283

Opposition to:

Appln. Ser. No. 4-2011-012922
(Filing Date: 26 October 2011)

Trademark: **"HIGHLAND LITE"**

Decision No. 2014- 06

DECISION

THE SCOTCH WHISKY ASSOCIATION ("Opposer")¹ filed an opposition to Trademark Application Serial No. 4-2011-012922. The application, filed by **BRAINTREE TRI-MEDIA CORPORATION** ("Respondent-Applicant")², covers the mark **"HIGHLAND LITE"**, for use on "wines, liquor, alcoholic beverages" under Class 33 of the International Classification of Goods³. The Opposer alleges the following:

"1. The Scotch Whisky Association (hereafter 'TSWA'), is the trade association for the Scotch Whisky Industry. Its principal objectives are the protection and promotion of the Scotch Whisky trade throughout the world. TSWA has its registered office at 20 Atholl Crescent, Edinburgh, EH3 8HF. It was incorporated as a company limited by guarantee in 1960 at which time it took over the function of the formerly incorporated Association known as the 'Scotch Whisky Association', which has been in existence since 1942.

"2. TSWA does not itself trade but its members sell their Scotch Whiskies throughout the world, including the Philippines, under such well known marks as JOHNNIE WALKER, CHIVAS REGAL, BALLANTINES, J&B and THE MACALLAN. Although TSWA itself is not doing business in the Philippines, pursuant to Rule 2, Section 4 of the Rules and Regulations, it may bring this petition for opposition.

TSWA is domiciled in Edinburgh, a city on Scotland. In turn, Scotland is a constituent nation of the United Kingdom, which is a signatory to the Paris and Berne Convention and a member of both the World Intellectual Property Organization ('WIPO') and the World Trade Organization ('WTO'). The Philippines is likewise a signatory to the Paris and the Berne Conventions and a member of both the World Intellectual Property

¹ An Association registered in Scotland with address at 20 Atholl Crescent, Edinburgh, EH3 8HF

² A Philippine corporation with address at Penthouse Solar Century Tower No. 100 Tordesillas Cor. H.V. Dela Costa Streets, Salcedo Village, Makati City

³ The Nice Classification of Goods and Services is for registering trademarks and service marks based on multilateral treaty administered by the WIPO, called the Nice Agreement Concerning the International Classification of Goods and Services for Registration of Marks concluded in 1957.

Organization ('WIPO') and the World Trade Organization ('WTO'). The Philippines is likewise a signatory to the aforesaid treaties

"3. Respondent Braintree Tri-Media Corporation is a Philippine corporation, with address at Penthouse Solar Century Tower No. 100 Tordesillas Cor. H.V. Dela Costa Streets, Salcedo Village, Makati City. It is the applicant for the registration of the trademark 'Highland Lite', under Application No. 42011012922 published on 21 May 2012.

"4. 'Scotch Whisky' is whisky distilled and matured in Scotland in accordance with United Kingdom legislation. It is the largest selling imported whisky in the Philippines. Attached is a printed excerpt of the International Wine and Spirit Record report on the alcoholic beverage market in the Philippines dated May 2010, showing the prominence of 'Scotch Whisky' in the Philippines.

"5. Whisky has been produced in Scotland for hundred of years. The oldest historical record of its production dates back to 1494. Over the years 'Scotch Whisky' has acquired a great reputation throughout the world and due to the long and strong presence of 'Scotch Whisky' in the market, whisky drinkers are likely to associate whisky with Scotland before any other country.

"6. Scotch Whisky has been defined in UK law since 1933. The current definition is contained in the Scotch Whisky Regulations 2009. These Regulations contain either provisions including the protection of regions and localities of Scotland specifically associated with the production of Scotch Whisky, including the Highland region.

"7. Highland is region of Scotland which is particularly associated with the production of Scotch Whisky. Attached is a map of Scotland printed for TWSA showing the location of Scotland distilleries. The map distinguishes between malt and grain Scotch Whisky distilleries and identifies the different regions in which those distilleries are located. Given that Speyside is a subset of the Highlands, it can be seen that eighty seven (87) of the one hundred eight (108) distilleries referred to on the map are located in the Highlands of Scotland.

"8. The classification of Scotch Whiskies into particular regions has been recognized for centuries. The 1909 Royal Commission on Whisky and other Potable Spirits identified five (5) distinct groups of Scotch Whisky in the recognized custom of the trade at that time, to wit: (1) Highland malts (2) Lowland Malts (3) Campbeltowns (4) Islays (5) Grains. Details of the regional classification can also be found in books by renowned whisky writers, Michael Jackson and Charles McLean. Attached hereto as Exhibit 'D' is a copy of an excerpt from the book 'The World Guide to Whisky' by Michael Jackson, and attached as Exhibit 'E' is an excerpt from the book 'Malt Whisky' by Charles Maclean.

"10. The longstanding significance of the Highlands in relation to Scotch Whisky can also be seen from a picture of an old Scotch Whisky Label for 'The Glen Graham', attached hereto as Exhibit 'F', which is described as 'Old Highland Whisky' to signify its origin in the Highlands of Scotland. Over the years the labels of Scotch Whiskies distilled in the Highlands have used descriptions such as 'Highland Malt Scotch Whisky' to identify their place of distillation.

"11. Further, the significance of the Highlands as a famous area of Scotland and one specifically associated with the production of Scotch Whisky, is reflected in the use of word 'Highland' in the brand names of many Scotch Whiskies, including Highland park, Highland Queen and Teacher's Highland cream.

“12. In the light of the significance and reputation of the Highland region of Scotland regarding the production of Scotch Whisky, it was afforded specific provision as a region geographical indication in the Scotch Whiskey Regulations 2009.

“13. Republic Act No. 8293, otherwise known as the Intellectual Property Code (hereafter ‘IP Code’), provides:

‘Sec. 123. Registrability- 123.1 A mark cannot be registered if it:

xxx

(g) is likely to mislead the public, particularly as to the nature, quality, characteristics or the geographical origin of the goods or services.’

xxx

“14. The use of the trademark ‘Highland Lite’ under Application No. 42011012922, on any whisky, is likely to suggest that the product is Scotch Whisky, because of the reputation of Scotch Whisky. The applicant is located in the Philippines and the use of the protected Scottish regional name, ‘Highland’, on Whisky produced in the Philippines is likely to mislead the public into believing that it is a Scotch whisky, and indeed, one that has been distilled in the Highlands of Scotland in particular. The public is likely to be similarly misled by the use of the mark on whisky based liqueur unless all the alcoholic content of the product is Highland Scotch Whisky and the liqueur has been produced in Scotland.

“15. TSWA thus opposes the registration of ‘Highland Lite’ as a trademark.

“16. TSWA has taken objection to, and achieved a considerable success in preventing the registration in many countries worldwide, of trademarks for whisky products, which include ‘Highland’ as a component. xxx

“16.1 As a further example, in India, the Division Bench of the Delhi High Court refused an application to register the mark ‘Highland Chief’ by Mohan Meakin Breweries, stating:

‘It is plain that the description “Scotch Whisky” relates solely to a geographical region for the product. The “Highlands” is a region in Scotland most famous for Scotch Whisky, is synonymous with Scotch Whisky and is used as a part of the label for whisky. This being so, it is likely that the public would understand the word “Highland”, used as part of the brand name for whisky, to be a Scotch Whisky, i.e. one produced in Scotland.’

The court went on to state:

‘In these circumstances, once it is conceded that the words “HIGHLAND CHIEF” used in relation to whisky are synonymous with Scotch Whisky, anyone using the word “Highland” as part of a brand name for whisky would thereby denote that the Whisky is Scotch Whisky. The public would understanding seeing the word “Highland” used for whisky that whisky was produced in Scotland.’

“17. The Philippines is a signatory to the WTO Agreement of Trade-Related Aspects of Intellectual Property Rights (‘TRIPS’), which provides, inter alia, protection of Geographic Indications. Article 22.1 thereof, states:

'Geographic indications are, for the purposes of the Agreement, indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin'.

Scotland has a pre-eminent reputation for the production of whisky. The use of the name of a Scottish region on a whisky is an indication which identifies the whisky as having been produced in Scotland. As discussed above, 'Highland' is a Scottish region with eighty-seven (87) Scotch whisky distilleries. 'Highland' is a geographical indication as defined in the said Article 22.1 and its use on whisky which is not of Scottish origin, and, indeed, not from the Highlands of Scotland would be contrary to Article 22 and 23 of the said TRIPS agreement.

"18. Overall, the registration of the name of a Scottish region, namely 'Highland', as a trademark, is likely to mislead the public into believing that the whisky on which it is used is of Scottish origin. Scotland, and in particular the Highlands of Scotland, are known worldwide for whisky production. Through TSWA, Scotch Whisky producers have endeavored, and are entitled, to protect their reputation as quality whisky producers. For this, and the reasons cited above, the subject trademark application for 'Highland Lite' should be refused registration."

To support its opposition, the Opposer submitted as evidence the following:

1. Memorandum and Articles of Association of The Scotch Whisky Association;
2. Philippine Index of and map of Scotland by TWSA showing location of Scotch Whisky distilleries;
3. excerpt from the book "*World Guide to Whisky*";
4. excerpt from the book "*Malt Whisky*" by Charles Mclean;
5. samples of Whisky labels;
6. sample labels of brands of Scotch Whiskies with the word "HIGHLANDS" such as "*Highland Park*", "*Highland Queen*", "*Teacher's Highland Cream*";
7. undertakings recognizing the Opposer's right over the mark/word "HIGHLAND" as used on whisky or related products;
8. copy of judgment of the High Court of India involving the mark "HIGHLAND CHIEF";
9. affidavit of Kenneth Murray Cobb Gray, the Opposer's Legal Adviser;
10. list of the Opposer's members' principal brands;
11. copy of a document entitled "*The Scotch Whisky Regulations 2009*";
12. document entitled "*Summary of Definitions of Scotch Whisky in Various Countries (May 2012)*";
13. Statistics on sales of whisky in different countries including the Philippines;
14. Judgment rendered by the District Court at's-Hertogenbosch (Netherlands) Roll Number 658/90, dated 22 November 1990, involving the mark/brand Highland; and

15. copy of an injunction issued by the Federal Court of Australia Highland bearing brand for whisky.⁴

This Bureau served upon the Respondent-Applicant a Notice to Answer on 24 September 2012. The Respondent-Applicant, however, did not file an Answer. Accordingly, the Hearing Officer issued on 28 February 2013 Order No. 2013-359 declaring the Respondent-Applicant in default.

It must be emphasized that the essence of trademark registration is to give protection to the owners of trademarks. The function of a trademark is to point out distinctly the origin or ownership of the goods to which it is affixed; to secure to him who has been instrumental in bringing into the market a superior article of merchandise, the fruit of his industry and skill; to assure the public that they are procuring the genuine article; to prevent fraud and imposition; and to protect the manufacturer against substitution and sale of an inferior and different article as his product.⁵

In this regard, the Opposer anchors its opposition on Sec. 123.1(g) of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines (“IP Code”), which proscribes registration if the mark misleads the public, particularly as to the nature, quality, characteristics or geographic origin of the goods or services.

But is the mark HIGHLAND LITE misleads the public as to the nature, quality, characteristics or geographic origin of the Respondent-Applicant’s whisky?

The Opposer established that the term “Highland” is associated with Scotland, to wit:

“7. Highland is region of Scotland which is particularly associated with the production of Scotch Whisky. Attached is a map of Scotland printed for TWSA showing the location of Scotland distilleries. The map distinguishes between malt and grain Scotch Whisky distilleries and identifies the different regions in which those distilleries are located. Given that Speyside is a subset of the Highlands, it can be seen that eighty seven (87) of the one hundred eight (108) distilleries referred to on the map are located in the Highlands of Scotland.

“8. The classification of Scotch Whiskies into particular regions has been recognized for centuries. The 1909 Royal Commission on Whisky and other Potable Spirits identified five (5) distinct groups of Scotch Whisky in the recognized custom of the trade at that time, to wit: (1) Highland malts (2) Lowland Malts (3) Campbeltowns (4) Islays (5) Grains. Details of the regional classification can also be found in books by renowned whisky writers, Michael Jackson and Charles McLean. Attached hereto as Exhibit ‘D’ is a copy of an excerpt from the book ‘The World Guide to Whisky’ by Michael Jackson, and attached as Exhibit ‘E’ is an excerpt from the book ‘Malt Whisky’ by Charles Maclean.

⁴ Marked as Exhibits “A” to “R”, inclusive.

⁵ *Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 November 1999.

“10. The longstanding significance of the Highlands in relation to Scotch Whisky can also be seen from a picture of an old Scotch Whisky Label for ‘The Glen Graham’, attached hereto as Exhibit ‘F’, which is described as ‘Old Highland Whisky’ to signify its origin in the Highlands of Scotland. Over the years the labels of Scotch Whiskies distilled in the Highlands have used descriptions such as ‘Highland Malt Scotch Whisky’ to identify their place of distillation.

“11. Further, the significance of the Highlands as a famous area of Scotland and one specifically associated with the production of Scotch Whisky, is reflected in the use of word ‘Highland’ in the brand names of many Scotch Whiskies, including Highland park, Highland Queen and Teacher’s Highland cream.

“12. In the light of the significance and reputation of the Highland region of Scotland regarding the production of Scotch Whisky, it was afforded specific provision as a region geographical indication in the Scotch Whiskey Regulations 2009.”⁶

Thus, the use by the Respondent-Applicant of the mark HIGHLAND LITE on wines, liquor, and alcoholic beverages – especially whisky – will mislead consumers into thinking or assuming that the products originate from SCOTLAND and/or possess the nature, quality and characteristics of wine and liquor products coming from the said geographic location. This Bureau agrees with the Opposer’s arguments:

“14. The use of the trademark ‘Highland Lite’ under Application No. 42011012922, on any whisky, is likely to suggest that the product is Scotch Whisky, because of the reputation of Scotch Whisky. The applicant is located in the Philippines and the use of the protected Scottish regional name, ‘Highland’, on Whisky produced in the Philippines is likely to mislead the public into believing that it is a Scotch whisky, and indeed, one that has been distilled in the Highlands of Scotland in particular. The public is likely to be similarly misled by the use of the mark on whisky based liqueur unless all the alcoholic content of the product is Highland Scotch Whisky and the liqueur has been produced in Scotland.”⁷

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2011-012922 is hereby **SUSTAINED**. Let the filewrapper of the subject trademark application be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 13 January 2014.


Atty. NATHANIEL S. AREVALO
Director IV, Bureau of Legal Affairs

⁶ Verified Opposition, pp. 6-4.

⁷ Verified Opposition, pp. 6-7.