

# manatt

August 29, 2008

## IP LAW @MANATT

NEWSLETTER OF THE INTELLECTUAL PROPERTY PRACTICE GROUP OF MANATT, PHELPS & PHILLIPS, LLP

### For Canadians, “Glen” Designates Whisky From Scotland, Court Rules

[Michelle Watts Zagazeta](#)

A recent trademark decision by a Federal Court of Canada highlights a nuance in that nation’s trademark protection laws, and the importance of monitoring international trademark developments within any particular industry.

In *Scotch Whisky Association v. Glenora Distillers International Ltd.*, a Federal Court sitting in Ottawa, Ontario considered the trademark use and registration of the term GLEN for whisky. The Court first explained that generally, under Canadian trademark law, a trademark for whisky must be refused registration either if it is deceptively misdescriptive of the place where the whisky originated, or if the mark has, by ordinary and bona fide commercial usage, become recognized in Canada as designating a place of origin. The Court also noted that Canadian trademark law prohibits use of a protected geographical indication – for instance, SCOTCH WHISKY – as a trademark or otherwise with respect to a spirit not emanating from that place. The Court then considered whether the mark GLEN could be registered in Canada for whisky that was distilled somewhere other than Scotland.

Applicant Glenora Distillers International Ltd. had sought to register GLEN BRETON for its whisky, which is distilled in Cape Breton, Nova Scotia, Canada. In November 2000, the Scotch Whisky Association or “SWA” – a firm representing over 50 different whisky companies from Scotland – had opposed this registration in an action before the Canada Trade-Marks Opposition Board. The SWA asserted that among Canadian consumers the word GLEN denotes a whisky originating only from Scotland and that use of the word GLEN by Glenora for its Canadian-distilled whisky is misdescriptive.

To support its case, the SWA produced evidence of numerous

#### NEWSLETTER EDITORS

**Jill M. Pietrini**

Partner

[jpietrini@manatt.com](mailto:jpietrini@manatt.com)

310.312.4325

**Susan Hollander**

Partner

[shollander@manatt.com](mailto:shollander@manatt.com)

650.812.1344

**Gail I. Nevius Abbas**

Associate

[gabbas@manatt.com](mailto:gabbas@manatt.com)

650.812.1379

#### OUR PRACTICE

Few law firms can match the industry experience, legal skill, technical breadth, and business knowledge of Manatt’s Intellectual Property & Internet Practice Group. We offer to our global client base a complete range of services that include all facets of intellectual property and Internet litigation, licensing, counseling, registration, and government advocacy... [more](#)

- [Practice Group Overview](#)
- [Practice Group Members](#)

#### INFO & RESOURCES

- [Subscribe](#)
- [Unsubscribe](#)
- [Sarbanes-Oxley Act](#)
- [Newsletter Disclaimer](#)
- [Technical Support](#)
- [Manatt.com](#)

third parties' use and registration of GLEN marks for whisky that emanated from Scotland. Glenora argued, among other things, that it chose the mark GLEN BRETON because the water source for the whisky is the "glen" stream MacLellan's Brook (located in Canada). In addition, because the word "Canadian" is stated on the whiskey bottle, any confusion regarding the origin of the whisky would be dispelled. The Trade-Marks Opposition Board ruled in favor of Glenora, reasoning that Canadian consumers of whisky do not necessarily associate the word GLEN exclusively with Scotch whisky.

In its appeal of the decision to the Federal Court, however, the SWA significantly expanded its evidence demonstrating that Canadian consumers associated GLEN with whiskies from Scotland, providing examples of newspaper articles, websites, retail outlets, and drink menus from bars on which the GLEN BRETON-branded whiskey apparently was listed, without further distinction, among other GLEN-branded whiskies originating from Scotland. It also presented additional evidence of potential confusion in the marketplace by producing more detailed sales records by brand of whisky in Canada.

The Court appeared to give substantial weight to this further evidence. On April 3, 2008, the Court ruled in favor of the SWA and directed the Canada trademark office to reject Glenora's application for the mark GLEN BRETON. The Court stated that "there is no evidence in the record that before the year 2000, the year in which Glenora applied for its trademark, there was ever a whisky sold in Canada which had 'Glen' as part of its name that wasn't a scotch whisky. Indeed, Scottish 'Glens' have been sold in Canada since at least 1888." The Court also cited the bar and restaurant listings of GLEN-branded whiskies, declaring that many of these had "put Glen Breton in among the single malt scotches" and concluding therefore that "the ultimate consumer who thought he or she was ordering a new Scottish single malt [a whisky emanating from a single distillery in Scotland] would never know that something else was served."

Glenora reportedly is appealing the decision, but after eight years of wrangling, the company may have to abandon its trademark.

This case is important for companies in the spirits industry. For instance, companies developing new brands for whisky distilled in the United States, with aspirations for brand expansion into Canada, may not be able to use or register marks for those products which include certain geographical

words, such as the term GLEN. Companies should consult closely with their Canadian trademark counsel and other international trademark counsel as early in the brand development process as possible to confirm availability of any desired mark prior to a product launch.

[back to top](#)

---

**FOR ADDITIONAL INFORMATION ON THIS ISSUE, CONTACT:**

**Michelle Watts Zagazeta** Ms. Zagazeta is an Associate in the firm's Litigation Practice Group. Her practice focuses on trademark litigation as well as domestic and international trademark prosecution, enforcement, and counseling. She has played a key role in resolving numerous domestic and international trademark disputes on behalf of a variety of clients, ranging from Fortune 500 to start-up companies.