

CASE NOTE – TRADE MARKS

***Scotch Whisky Association v Isetan Mitsukoshi Ltd* [2019] SGHC 200**

Would the use of a trade mark containing the word “Tartan” on whisky not from Scotland deceive the public as to the whisky’s geographical origin?

The Singapore High Court found that such use was deceptive - due to the tartan’s strong association with Scotland and Scotland’s global renown for whisky, consumers would falsely assume that the whisky in question is Scotch Whisky when it is not.

Introduction

This was novel case concerning the “Isetan Tartan” trade mark in Singapore. Isetan Mitsukoshi Ltd (“**Isetan**”), the Japanese department store, had applied to register “Isetan Tartan” as a trade mark in respect of “all alcoholic beverages except beer; sake” in Class 33, a class of goods which included whisky.

The Scotch Whisky Association (“**SWA**”), an association of the leading distillers, blenders, and exporters of Scotch whisky, opposed Isetan’s trade mark application, arguing that such a trade mark is deceptive when used in respect of non-Scotch whisky.

The SWA was unsuccessful in opposition proceedings before the Singapore Registrar of Trade Marks, but ultimately prevailed on appeal to the Singapore High Court.

The Singapore High Court’s Decision

The legal crux was whether Isetan’s “Isetan Tartan” mark ought to be refused registration on the ground that it is deceptive under section 7(4)(b) of the Trade Marks Act (“Act”). Section 7(4)(b) reads:

Absolute grounds for refusal of registration

(4) A trade mark shall not be registered if it is —

(b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service).

Relevant Goods/Services and Public

The Judge started off by highlighting the importance of considering the goods or services applied for, as well as the general context of the relevant trade. The broad issue to be determined, therefore, was whether the “Isetan Tartan” mark, when used in relation to *non-Scotch whisky*, would deceive consumers *who drink and purchase whisky as to its geographical origin*.



Deceptiveness

In support of their argument that the “Isetan Tartan” mark is deceptive, the SWA’s arguments included the following:

- The tartan - a cross-checked repeated pattern of different coloured bands, stripes, or lines - is an iconic symbol of Scotland and is used to signify a link with Scotland.
- Singapore consumers recognise the tartan as a Scottish icon.

Even though the word “Tartan” is used together with the word “Isetan” in Isetan’s mark, the house mark principle applies: consumers would view “Isetan” as the house mark denoting the identity of the manufacturer and “Tartan” as the trade mark for the product in question. In other words, consumers would regard “Isetan Tartan” as referring to a Scotch whisky named “Tartan” that is produced, blended, distilled, or sold by Isetan.

The Judge, in reaching his decision that the “Isetan Tartan” mark is a deceptive and therefore unregistrable mark under section 7(4)(b) of the Act, focused on the following two factual issues arising from the SWA’s arguments:

- First, whether the tartan is an iconic symbol of Scotland; the stronger the association between the tartan and Scotland, the more likely the public is to be deceived.
- Second, whether Singapore consumers recognise the tartan as a Scottish icon; the greater the familiarity the public in Singapore has with the tartan and Scotland, the greater the likelihood of deception.

On the first issue, the Judge accepted that there was ample evidence showing that the tartan is an iconic symbol of Scotland. The SWA’s evidence included papers, surveys, and articles showing that the tartan has come to be regarded as peculiarly Scottish, a quasi-heraldic Scottish family or clan emblem, and one of Scotland’s most recognisable icons.

Still on the first issue, the Judge was also guided by the case of *TARTAN GLORY Trade Mark* [2000] BL O/003/00. In that case, the UK Trade Marks Registry disallowed the applicant’s application for “TARTAN GLORY” in Class 33 and took the view that the mark is likely to be strongly evocative of Scotland.

On the second issue, the Judge accepted the SWA’s evidence showing Singapore’s enduring association with Scotland, as well as contemporary familiarity with the tartan and Scotland. Such evidence included the number of visitors—more than 20,000—from Singapore to Scotland in 2016, with more than 29 million pounds Sterling being spent over more than 500,000 nights. The Judge was also presented with evidence relating to a two-night “Taste of Tartan” festival for St Andrew’s Day that featured Scottish tribal bands and Singapore’s own pipe band.

Overall, the Judge was of the view that the use of “Isetan Tartan” on non-Scotch whisky would be sufficiently deceptive as to the product’s geographical origin. He also noted that the average whisky consumer is likely to be particularly familiar with Scotland and the tartan; in the mind of the whisky drinker, any whisky bearing the word “Tartan”, even if accompanied by the word “Isetan”, would call to mind Scotch whisky. The deception is intensified because Scotland is renowned globally for its whisky.

The Judge also addressed Isetan's argument that even if the SWA successfully proves that Singapore consumers are familiar with the word "Tartan", use of the "Isetan Tartan" mark, with both words combined, would not deceive the public. According to Isetan, the mark would call to mind Japan (as opposed to Scotland), as greater significance must attach to the first word of the mark ("Isetan") and Isetan is strongly evocative of Japan. This argument was rejected by the Judge: as Isetan is a department store selling goods from various countries, the average consumer is unlikely to think that all goods in Isetan originate from Japan; the use of "Isetan Tartan" on non-Scotch whisky is likely to deceive the average consumer of whisky into thinking that the whisky originates from Scotland. Further, the Judge did not think it necessarily true that greater emphasis should be placed on the first word in every instance; in this case, the average consumer of whisky would attach greater significance to the second word "Tartan" and therefore be deceived into thinking that the non-Scotch whisky is from Scotland.

Comments

The High Court's decision is a welcome one for stakeholders in signs that are not protected under the geographical indications regime but are nonetheless associated with or evocative of a particular geographical location.

That said, the High Court's decision raises some interesting questions and food for thought, such as the following:

- In cases concerning the deceptiveness of word marks, are there instances where it would be appropriate to examine the likelihood of deception vis-à-vis both the word mark itself and its substantive meaning? Put another way, in the context of this case, would there be a divergence of findings where (a) the tartan pattern (unaccompanied by the word "Tartan") is used on non-Scotch whisky sold at Isetan, as compared to where (b) the word "Tartan" (unaccompanied by the tartan pattern) is used on non-Scotch whisky sold at Isetan?
- The SWA raised an interesting argument based on the house mark principle, based on various cases relating to relative grounds for refusal of registration, that was not considered in detail by the High Court. It therefore remains to be seen, at least in Singapore, how arguments applying this principle to absolute grounds for refusal of registration will be treated.

SWA was successfully represented by Amica Law's Aaron Thng.

This case note is intended to provide general information only and should not be relied upon as an exhaustive or comprehensive statement of law. Should you have any specific questions, please speak with your usual contact at Amica Law LLC, or you may direct your query to mail@amicalaw.com.

We wish to express our thanks to Aaron Thng and Ong Eu Jin for their contributions to this case note.

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