

Recipe for Confusion

Controversial new laws will have profound effect on the future of Scotch whisky.

The Department for the Environment Food and Rural Affairs (DEFRA) with the Scotch Whisky Association (SWA) are preparing far-reaching new regulations.

The stated aim is to protect Scotch and consumers. But some feel it's a smokescreen to further enhance the commercial interests of a self-regulated industry.

“New rules are to strengthen existing laws, protecting whisky regions, targeting counterfeiters, and protecting consumers” says Bruichladdich's MD Mark Reynier.

“Some are good rules, others more disingenuous; consumers are to be protected from counterfeiters only so they can be ripped off by the industry instead.

The irreconcilable pressures of finite whisky stocks and marketing muscle has frustrated large distillers' ability to grow brands - so they want to fiddle the rules.

Confusing new whisky categories, mixing up well-known existing terms, will drive a wedge between blended whisky at one end, and exclusive single malt at the other.

By pushing single malts up on a pedestal, a new category 'Blended Malt Scotch Whisky' (a bastardised term from 'blended whisky' and 'single malt') is to be made.

It's a charter for cheats and marketeers to exploit gullible consumers as 'Blended Malt' will be allowed to look almost *identical* to a Single Malt, even the same name.

Consumers misled in to thinking they are getting a distinctive whisky from a specific, famous distillery may find it could be a total malt cocktail from all over the place.

Clearly the new category should not in any way be allowed to carry the name or presentation of a distillery. It also needs a clearly distinctive title that cannot confuse.”

For Editors:

Whisky Regulations Consultation: <http://www.defra.gov.uk/foodrin/index.htm>

The consultation ends on 31st March for implementation in June 2008

DEFRA say: “The industry is highly concentrated with the top 6 companies accounting for 85% of the distilling capacity and case sales.”

In 2004 Diageo were prevented by political pressure from marketing a blended malt (or pure malt) made up of several different whiskies in an identical presentation to Cardhu single malt.
<http://news.bbc.co.uk/1/hi/scotland/3546321.stm>

New Regulation 10 (2) paraphrased:

“the name of a distillery must not appear on any labelling or packaging of any blended malt...unless...a Scotch whisky that has been distilled at the named distillery has been included in the blend making up the final whisky.”

New regulation 10 (5) paraphrased:

A name that is similar to any name of any distillery in Scotland must not appear on any single malt scotch whisky if that name creates confusion on the part of the public as to where the whisky was distilled. So OK for a “blended malt” to confuse.

Cardhu ‘blended malt’ could look exactly the same as the highly successful Cardhu ‘Single Malt’ (400,000 cases) and yet it could theoretically be 99% of unknown, lesser, single malts of a completely different even inferior style or flavour.

“Monkey Shoulder” is a ‘blended malt’ and correctly makes no claim to a specific distillery, geographical location, or existing single malt brand, or historic identity.

SWA members pay a membership according to the amount of the industry that they control. The SWA represent 95% of the industry capacity. 60% is controlled by just two companies – Diageo and Pernod Ricard. The executive board is made up of the member companies’ MDs and CEOs. The current chairman is the CEO of Diageo.