

Federal Court Blocks Effort to “Revive” J.W. Dant Bourbon Brand Already Alive

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by Ben Kappelman

Just in time for the holidays, the U.S. District Court for the Western District of Kentucky issued a decision steeped in two rich holiday traditions—family lore and alcohol. On December 16, 2021, the court entered a preliminary injunction against Log Still Distilling, LLC in a trademark infringement and unfair competition action brought earlier this year by Heaven Hill Distilleries, Inc., both manufacturers of bourbon. Heaven Hill is a large family-owned distillery founded in Louisville, Kentucky in 1935. Log Still was founded in 2018 as a new distillery, line of spirits, and tourist destination in Gethsmane, Kentucky. Bourbon is a distilled liquor made primarily from corn that Congress has designated a distinctive product of the United States.

The story of how Heaven Hill and Log Still arrived in a trademark battle in federal court begins with Joseph Washington “J.W.” Dant, who first distilled bourbon as a teenager in 1836. J.W. Dant’s unique distilling method entailed running a copper pipe through a hollow poplar log, filling the pipe with fermented mash, and passing steam through the pipe. The resulting liquor became J.W. Dant-branded bourbon whiskey. Dant’s namesake distillery continued producing J.W. Dant whiskey after Dant’s death in 1902, and after Prohibition obtained two federally registered trademarks (U.S. Reg. Nos. 320,981 and 376,057):

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J.W.DANT



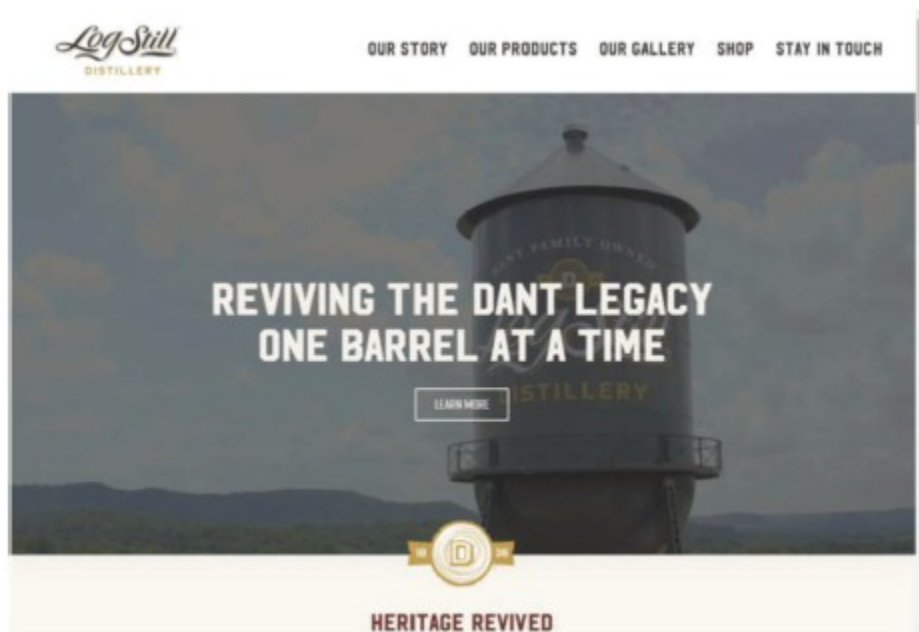
The distillery and the marks changed hands several times in the mid-20th century, ending in Heaven Hill buying the J.W. Dant brand (among others) in 1993. Today, J.W. Dant bourbon is available for \$15 to \$18 on the bottom shelf of liquor stores in most states. (J.W. Dant is also for sale on the Internet, where no one knows you're a bottom shelf liquor.)



J.W. Dant bourbon

Meanwhile in Gethsmane, J.W.'s great-great-great-grandson John Wallace "Wally" Dant III and some of his cousins founded Log Still to "revive" their family's place in the bourbon business. Wally initially approached Heaven Hill about buying the J.W. Dant brand, but Heaven Hill declined. Undaunted, Log Still launched its Monk's Road-branded bourbon and sought to infuse its promotion with the family's history and, according to Log Still's internal marketing documents, create "ties to the J.W. Dant name whether the brand can be used or not."

These ties begin with the Log Still Distilling name, which evokes J.W. Dant's original method of distilling bourbon by pouring it through a hollowed log. Log Still went further—naming its distillery "Dant Crossing" and billing its brand as the "rebirth of the J.W. Dant legacy" among other homages to the family's famous ancestor. In response to Log Still's social media posts containing these themes, Heaven Hill sent cease-and-desist letters. Heaven Hill also opposed Log Still's attempt to federally register a "Dant & Head" trademark, and ultimately filed suit.



Images from Log Still's website (PX 16 at 1-2)

In granting Heaven Hill's request for a preliminary injunction, the court found persuasive proof that Log Still had crossed from recounting family lore to build a new brand into impermissibly leveraging an old brand that Log Still did not own. In its 58-page decision, the court catalogued Log Still's marketing strategies and advertising themes to conclude that this was "an affiliation case in which a newcomer is building a brand by intentionally tying itself to an old brand and story controlled by a competitor."

Throughout, Log Still's marketing strategy invoked themes of "reviving a legacy," "heritage revived," and "reviving the Legacy one barrel at a time." Log Still acquired the domain name JWDant.com and, for a time, directed traffic to Log Still's website. That website described the "heritage" and "Dant Legacy" Log Still claimed to be reviving and that Log Still's "story ... begins with our forefather Joseph Washington Dant," who "gave birth to the Dant family's place in bourbon lore with a legacy all our own." Log Still declared on social media that "we're the Dant family ... and we're back in the bourbon business." A few posts even featured old photos that included the trademarked J.W. Dant logo and bottles.

As the court observed, this public story of revival is not accurate—the J.W. Dant brand had existed all along. And Log Still was keenly aware of the existing J.W. Dant brand. Log Still's internal marketing plans described its strategy to "subtly" tie its branding to that of J.W. Dant. Log Still's documents described J.W. Dant as one of Log Still's "competitors," and stated that there was "possible confusion" between the brands, which Log Still and its marketing team predicted could lead to "threats" such as "legal

challenges” from Heaven Hill.

Although not knock-offs, the court decided that Log Still’s logos appear influenced or inspired by the J.W. Dant marks. Log Still’s Monk’s Road bourbon displays the tagline “[t]his is a story of heritage & revival” and state that “Joseph Washington Dant started this tradition way back in 1836 when he felled a poplar tree.” Log Still’s label also featured a crest with an establishment date of 1836 that was definitely not applicable to Log Still’s founding. Log Still took a similar approach to branding its 350-acre campus by highlighting the land’s history to the Dant family. Visitors are greeted by a story board discusses the history of J.W. Dant and Log Still, and the tasting room is walled by barrels stenciled with “The Dant Distillery Company,” a common-law trademark registered to Heaven Hill. Even if some of these statements—when read narrowly—merely referred to J.W. Dant’s history and not the competing bourbon sold today, the court concluded that together, Log Still’s story “indicates that Log Still’s principal motivation is to sell its competing spirits and tourist offerings—not simply to reminisce about family history.”

All of this led the court to conclude that Log Still was using the J.W. Dant name in a manner likely to cause consumers to be confused about the (lack of) a relationship between the two brands. The court began its analysis with two threshold issues: First, whether Heaven Hill had valid protectable rights. On this issue, Log Still argued that Heaven Hill had “allowed the quality and sales of J.W. Dant to fall so far that the brand has lost its associated goodwill, leaving nothing for other users to infringe.” This argument was rejected as lacking in any legal basis, as the mark was not abandoned and did not have to be a thriving enterprise to be protected from infringement.

Second, the court determined that Log Still was using the J.W. Dant marks and indicia of good will as a source identifier, brushing aside Log Still’s “descriptive use” defense. Log Still was not referencing the J.W. Dant name and legacy in an academic non-trademark manner; rather, it was drawing on the J.W. Dant legacy to sell commercial products. Log Still also failed another test for good-faith, non-trademark use—the court decided that the story Log Still was selling was not true. In particular, Log Still’s attempts to trace its history to 1836 merely co-opted the Dant Distillery Company’s story, a legacy the Dant family sold long ago and that Heaven Hill purchased in 1993.

The court applied the familiar likelihood of confusion analysis following the Sixth Circuit’s *Frisch*’s test. Most difficult for Log Still’s defense was the evidence of actual confusion. Internet users commented in response to Log Still’s posts: “is that J W Dant I used to drink” and “What about JW Dant is that coming back?” A local news station broadcasted an interview with Wally (whom they introduced as “J.W.”) Dant while displaying a bottle of Heaven Hill’s J.W. Dant product and barrels labeled Dant Distillery. A distillery-focused blog reported on the opening of Log Still’s distillery with the headline “Log Still (formerly J.W. Dant).” The court also emphasized Log Still’s intent in selecting its competing branding. The court quoted from Log Still’s internal marketing documents which made “clear that Log Still aimed to steal J.W. Dant’s story—intentionally and in order to compete in the spirits marketplace.” As the court colorfully put it, the Marketing Plan was “legally damning” and “as close as many lawyers will ever come to a smoking gun”. Then

the court added, “But wait, there’s more!” in recounting even further evidence of bad faith intent by Log Still to exploit another company’s goodwill.

Given its conclusion that Heaven Hill was likely to prevail, the court wasted no time in enjoining Log Still’s continued infringement. The court applied the Trademark Modernization Act of 2020’s presumption of irreparable harm and determined that Log Still had not adequately rebutted this presumption by attempting to rely on lack of provable economic damage to Heaven Hill, concluding that irreparable harm could be established by loss of control over brand image and good will. The court ordered Log Still to take several actions to distinguish itself from the J.W. Dant brand. The court ordered Log Still to remove references to J.W. Dant, his story, and the year 1836 from its products, labels, and logos. The court also enjoined Log Still from using jwdant.com domain in connection with the spirits industry and required Log Still to remove any internet marketing that states or implies “that Log Still is reviving, preserving, or contributing to the legacy of J.W. Dant’s distilling and the company he founded and his descendants sold.” The court stopped short of ordering Log Still to remove all references to the history of J.W. Dant and his connection to Log Still’s owners from its marketing and distillery tours, but Log Still is required to display a conspicuous disclaimer disavowing a connection to the J.W. Dant brand.

The court’s decision is a warning to distant descendants of the founders of famous brands about attempting to cash in on a family legacy that another entity owns. On the issue of whether an individual has an unqualified right to use his or her own name in marketing a product, the answer today is “no.” As the court pointed out, “A century ago,” Log Still’s principal J.W. (Wally) Dant “may have had a stronger case to sell bourbon by using his ancestor’s name or the initials they share. 19th century courts recognized a ‘sacred right’ to use one’s own name as a mark, even if someone else used the name first.” But this doctrine changed as courts eventually recognized “that names could confuse as easily as any other trademark.”

But there is a broader lesson for those without a whiskey baron in the family tree. The evidence against Log Still that the court found most compelling was Log Still’s internal marketing documents confirming Log Still’s desire to “creat[e] direct ties to” Heaven Hill’s mark “whether the brand can be used or not.” The strategy described in these documents is exactly what trademark and unfair competition law is designed to prevent—a new brand capitalizing on an old one by tying the two in the consumer’s mind. Upstart brand builders should be mindful that trademark law bars more than copying a name, it protects the goodwill built in a brand’s identity. Efforts to trade on the goodwill of another, even “subtly,” can land the junior user in hot water.