

BEIERSDORF AG,	}	IPC No. 14-2007-00207
Opposer,	}	Case Filed : 16 July 2007
	}	
-versus-	}	Opposition to:
	}	Serial No. : 4-2006-000811
EUROHEALTH CARE EXPONENT,	}	Date Filed : 25 January 2006
INC.,	}	
Respondent-Applicant.	}	Trademark : "EUROCIN"
x-----x	}	Decision No. 2008-179

DECISION

This pertains to a Verified Opposition filed on 16 July 2007 by herein opposer, BEIERSDORF AG, a foreign corporation duly organized and existing under the laws of Germany, with principal office address at Unnastrasse 48, D-20253 Hamburg, Germany, against the application filed on 25 January 2006 bearing Serial No. 4-2006-000811 for the registration of the trademark "EUROCIN" used for goods in Class 05 namely, pharmaceutical products, antibacterial, which application was published in the Intellectual Property Office Official Gazette, officially released for circulation on 16 March 2007.

The respondent-applicant in this instant opposition is Eurohealth Care Exponents, Inc., with registered business address at 67 Scout Fuentebella, Tomas, Morato, Quezon City.

The grounds of the instant opposition are as follows:

- a. The approval of the subject application violates Opposer's rights arising from a registered trademark, contrary to Section 123.1 (d) (i), (ii), and (iii) of Republic Act No. 8293 otherwise known as Intellectual Property Code of the Philippines ("IP Code");
- b. Opposer's trademark is likewise a well-known mark hence, approval of subject application violates the rights arising from the said status, contrary to Sections (e), and 123.1 (f) of the IP Code.
- c. The use and registration of the applied for mark by Respondent-Applicant will cause confusion, mistake and deception upon the consuming public and mislead them as to the origin, nature, quality and characteristics of the goods on which it is affixed pursuant to 123.1(g) of the IP Code.
- d. Section 147 of the IP Code.
- e. The approval of the subject application will violate proprietary rights and interests, business reputation and goodwill of the Opposer considering that the applied for mark is confusingly similar, if not identical to Opposer's EUCERIN, a mark that is highly distinctive and over which the Opposer has exclusive use and registration in numerous countries worldwide since 1900.
- f. The approval of the subject application will enable the Respondent-Applicant to unfairly profit commercially from the goodwill, fame, and notoriety of the trademark EUCERIN, to the damage and prejudice of the Opposer herein contrary to Section 168.1 of the IP Code."

The allegations of facts are provided as follows:

- 7. Opposer was founded in 1882. In 1890, Oskar Troplowitz purchased the company from its founder Carl Beiersdorf.

8. Opposer's EUCERIN was introduced in the market in 1990 and is one of the leading derma cosmetic brands in the world. EUCERIN is the Opposer's medical skin care range.
9. EUCERIN was invented by Isaac Lifschutz in 1900. In the continuing years, Lifschutz continued to improve EUCERIN's hygroscopic capacity, receiving an additional 20 patents. In 1907, Professor Unna described it as follows: "Thanks to its creamy texture and cooling effect, patients find EUCERIN extremely beneficial, as do pharmacists for its durability and creamy consistency and doctors for the fact that it is so easy to prescribe."
10. In 1903 onwards, EUCERIN was marketed as an emulsifying agent. In 1911 EUCERIN Powder was launched and in 1930, EUCERIN Soap followed. In 1950, EUCERIN launched its pH5 EUCERIN crème, which is the first product of its kind to focus on the importance of the skin's own natural protective acid barrier in maintaining good skin health. In the 1970s, EUCERIN achieved all round success with its medical body lotions pH5 EUCERIN Intensive Lotion and Lotion F.
11. In the 1980s, Opposer introduced its products for dry skin problem named Laceran. But since 1988 the Laceran products have been marketed under the umbrella brand EUCERIN. In 1994, point on, one innovation followed another. In 1996, EUCERIN landed another hit with its anti-wrinkle cream, Q10 Active. Recently, it launched EUCERIN Hyaluron-Filler, which is a new anti-age product. Today, EUCERIN is a medical skincare system with products for all skin types, offering a wide range of products designed for prevention as well as treatment.
12. EUCERIN is an internationally well-known trademark by reason of its long record of use (for almost a century now), its numerous trademark applications filed and registrations which have issued for the said mark in many countries worldwide. To date, Opposer owns five hundred forty-six (546) EUCERIN trademark registrations, sixty-six (66) trademark applications, and seventy-one (71) EUCERIN domain name registrations around the world.
13. Opposer was the first to use and register the trademark EUCERIN in the United States. On-line versions of these certificates are available at the USPTO website – www.uspto.gov x x x
14. Opposer enjoys a substantially exclusive use and registration for the trademark EUCERIN in many parts of the world. Such status has been achieved by the efforts of Opposer at zealously watching, protecting, and defending their trademark rights in many countries. x x x
15. Opposer also owns trademark registrations for EUCERIN embracing goods in other classes. x x x
16. Opposer's EUCERIN products are sold in many stores located worldwide and in countries such as the United States of America, Canada, Argentina, Bolivia, Chile, Columbia, Ecuador, Guatemala, Mexico, Paraguay, Peru, Uruguay, Venezuela, Austria, Czech Republic, Denmark, England, Finland, France, Germany, Hungary, Netherlands, Norway, Slovak Republic, Sweden, Switzerland and Thailand. EUCERIN products are sold worldwide in department stores, drug stores, beauty shops, grocery stores, convenience stores and through the internet.

17. In the Philippines, numerous EUCERIN products are available through the website <http://www.ebay.ph> and <http://www.ebay.com>.
18. Opposer owns Philippine Registration No. 4-2006-010489 for its trademark EUCERIN for goods under class 3 and 5. x x x
19. To maintain the goodwill and fame of the ENIVA (sic) trademark, Opposer continues to advertise its trademark in numerous magazines in the medium price segment destined for the average consumer, such as women's magazines and pharmacist's magazines, all of which are widely sold and circulated in numerous countries worldwide including the Philippines. The 2006 Annual Report of Opposer shows the revenue from the sale of EUCERIN products and the extent of advertisement expenses spent by the Opposer.
20. EUCERIN has been the subject of newspaper and magazine articles, among which are: Forbes magazine, Women's Health Magazine, and Newsweek Magazine.
21. Further, Opposer has been advertising its EUCERIN products globally as early as 1930. Opposer presented the following as evidence: the booklet circulated in 1930 which discusses the EUCERIN product in detail; advertisement-pricelists circulated in 1945 and 1946; an advertisement of the EUCERIN product in 1955; a 1964 pricelists circulated in Italy; advertisements placed in magazines in the US in the 197s; and a front cover of a booklet circulated in 1985.
22. The fame and well-known status of the EUCERIN trademark are likewise attributed to the legal protection obtained for the trademark EUCERIN and the Opposer's persistent efforts at obtaining and maintaining exclusive rights to the use and ownership of the said trademark. One case filed by Opposer with the Office for Harmonization in the Internal Market entitled *Beiersdorf AG vs. Icart, S.A.* Has lead to the rejection of an application for the trademark EUDERMIN. In the said case, Opposer filed an Opposition against Icart, S.A. of Spain because of its application for EUDERMIN which is similar to EUCERIN. The Decision therein (Decision No. 108/1999) provided that there is similarity in the mark and the goods considering that both marks have an identical beginning (EU) and ending (IN), such as the case at bar. The decision can be accessed through the official website of the OHIM, specifically <http://oami.europa.eu/legaldocs/oppostion/1999/N/000001794.pdf>.
23. More information about the Opposer, its products, and the history of the trademark EUCERIN are available at the website: <http://www.eucerin.com>. x x x
24. Respondent-Applicant's trademark EUROGIN is almost identical and in any case confusingly similar to EUCERIN. EUROGIN uses identical letters, namely, E, U, R, C, I, and N. There are only two difference of the trademark EUROGIN from the trademark EUCERIN is that the former has the letter O as the fourth letter whereas the latter uses the letter E. Last, is that the R and C are inter-changed. These differences do not negate the visual similarity of both the marks which will likely cause mistake, confusion or deception upon the relevant consumers who may be lead into thinking that the source of the goods for both trademarks are one and the same, or, that the goods of Respondent-Applicant is sponsored by Opposer herein.
25. Respondent-Applicant's trademark application as published, identified its goods as "pharmaceutical product: antibiotic" which belongs to the same class as

that of Opposer's goods – Class 5. The goods therefore of both parties are, if not identical, similar.

26. Further, in the fairly recent case of Mc Donald's Corporation vs. L.C. Big Mak Burger, Inc., the Supreme Court recognized that "the registered trademark enjoys protection in product and market areas that are normal potential expansion of his business." Assuming arguendo that Opposer's goods in class 5, cannot be considered identical or closely related with Respondent-Applicant's goods filed also under Class 5, Opposer's trademark EUCERIN, and its derivatives, are still protected since the market or product area of Respondent-Applicant's goods is within the area of expansion of Opposer's business in which the EUCERIN mark may potentially be used. In fact, Opposer's goods are pharmaceutical products the same as Respondent-Applicant's."

Meanwhile, respondent-applicant submitted its Verified Answer dated 06 August 2007. It admitted the allegations in the Verified Opposition as contained in the following paragraphs: 4, insofar as respondent-applicant's address; 5 and 18. It however denied the allegations in the said opposition: paragraphs A, B, C, D, E and F; 1, 2 and 3, the rest of 4, 6 to 23, 24 to 27. Further, the following are the special and affirmative defenses set forth, to wit:

"8. The opposer claims that respondent-applicant's application for the trademark "EUROCIN" is in violation of Section 123.1 subparagraph (d), (e), (f), (g) and Section 168.1 of R.A. 8293 or the Intellectual Property Code;

9. In fine, the opposer avers that the mark "EUROCIN" is identical and confusingly similar with their trademark "EUCERIN" such that it is likely to deceive or cause confusion;

10. It is humbly submitted that the marks are not identical with one another that it may cause confusion;

11. A simple perusal of the marks "EUROCIN" and "EUCERIN" will readily reveal marked dissimilarities. As may be gleaned thereon, the phrase "EUROCIN" is a contraction of the name of respondent-applicant, which is Eurohealth. Also, the emphasis on the mark is in its first two syllables which is "EURO". And as opposed to "EUCERIN", it is palpable that no emphasis is present in its first syllables. Thus, on pronunciation alone, the two are distinctive enough to dispel any notion of identity;

12. Moreover, opposer's trademark contains an inverted red triangle below "EUCERIN". As described in Exhibit "Y" of the opposition:

"EUCERIN & RED TRIANGLE (LOGO 2001) THE WORD "EUCERIN" IN STYLIZED FORM. THE FIRS LETTER OF THE WORD "EUCERIN" IS CAPITAL AND THE SUBSEQUENT LETTERS ARE SMALL WHICH ARE PRINTED IN BLUE, AND BELOW SAID WORD IS AGEOMETRIC FIGURE WHICH IS COLORED RED WITH THE SAME LEGTH." (Emphasis and underscoring supplied.)

13. Respondent-applicant's mark does not contain any geometric figure that may be likened to opposer's mark. Thus, the likelihood of confusion is all the more negated and dispelled;

14. It is respectfully stressed that the goods referred to in the present case are pharmaceutical products. Thu ruling of the Supreme Court in the case of Etepha vs. Director of Patents, 16 SCRA 495, is square in point, to wit:

“In the solution of a trademark infringement problem, regard too should be given to the class of persons who buy the particular product and the circumstances ordinarily attendant to its acquisition. The medicinal preparations, clothed with the trademarks in question, are unlike articles of everyday use such as candies, ice cream, milk, soft drinks and the like which may be freely obtained by anyone, anytime, anywhere. Petitioner’s and respondent’s products are to be dispensed upon medical prescription. x x x.”

15. Moreover, in the case of Bristol Myers Co. vs. Director of Patents, 17 SCRA 128, the Supreme Court allowed the separate registration of the trademarks “BUFFERIN” and “BIOFERIN”, stating that with regard to medicines, the requirement for prescription makes “The chances of being confused into purchasing one for the other are therefore all the more rendered negligible.”

16. As it is, the Supreme Court has construed with sufficient liberality the registration of pharmaceutical products. Hence, the mere similarity of trademarks is not a valid ground to reject an application;

17. Likewise, the products covered by opposer’s mark are skin care products which are used for application to the skin or “topical”. As defined and admitted in paragraph 18 of the opposition: x x x

18. Respondent-applicant’s products not for topical use, but is rather an injectible. More specifically, it is covered under the generic name “Ampicillin (as sodium) 500mg. POWDER FOR INJECTION, IM/IV”;

19. It is also used not for skin diseases, but rather “for the treatment caused by susceptible strains of Grampositive and Gramnegative microorganisms.”

20. It is highly unlikely for opposer to venture into the class of products covered by “EUROCIN”. It is not “market areas that are normal potential expansion of his business.”

In opposer’s Reply dated 07 September 2007, it pleaded that the Answer should be set aside as defective and/or without merit, to wit:

“3. Applicant’s Verified Answer should not be given any consideration as the Verification attached to the Verified Answer was not executed by a person clothed with authority to do so. Applicant in the instant case is a private corporation, and as such, a Secretary’s Certificate is called for purposes of executing the Verification. It is a settled doctrine that a corporation may only perform corporate acts thru its duly authorized agents. This was enunciated by the Supreme Court in the case of Experttravel & Tours, Inc. vs. Court of Appeals (G.R. No. 152392, May 26, 2005) x x x

4. Records reveal that the signatory to the questioned Verification is one Geraldine Gomez, who did not disclose that she was authorized by the board of directors of the corporation. Applying the abovementioned pronouncement in the instant case, Applicant’s Verified Answer clearly does not contain a verification which is fatal to its cause as provided in Section 9, Office Order 79, Series of 2005, x x x

During the Preliminary Conference set on 19 October 2007, only opposer appeared. Consequently, in Order No. 2007-2001 dated 05 November 2007, respondent was deemed to

have waived its right to submit its position paper, whereas opposer was given ten (10) days to submit its position paper, or draft decision, if desired. Subsequently, during the Preliminary Conference set for this instant case, parties failed to reach into amicable terms. The conference was terminated and parties were directed to file their respective position papers and, if desired, draft decisions within a non-extendible period of ten (10) days from receipt of the order directing them to do so.

In compliance to Office Order No. 79, series of 2005, the following pieces of documentary evidence are submitted: (1) for the opposer, Exhibits "A" to "OO", inclusive of sub-markings, as attached to the Opposition; and for the respondent-applicant, Exhibit "1", as attached to the Answer.

The issues –

- I - Whether or not respondent-applicant's Answer is admitted because of defective Verification.
- II - Whether or not there is confusing similarity between opposer's registered mark "EUCERIN" and respondent-applicant's applied mark "EUROCIN."

On the first issue posed by the opposer in its Reply dated 07 September 2007, a perusal of the records show that the Verification in the Answer dated 06 August 2007, was signed and sworn to by Geraldine Gomez, alleging to be the duly-authorized representative of respondent-applicant. Further examination reveals the absence of any documentary proof that Geraldine Gomez was in fact granted the authority from the Board of Directors of the respondent-applicant corporation to cause the preparation of the afore-quoted Answer.

As a rule, the exercise of corporate powers including the power and capacity to sue and be sued in its corporate name (Section 36, Corporation Code of the Philippines), shall be controlled and held by a majority of the number of directors or trustees as provided for in the articles of incorporation (Section 25, *supra.*). In the instant case, there was no authority from the Board of Directors of Eurohealth Care Exponents, through a board resolution, for Geraldine Gomez to act for and in behalf of the corporation. Hence, the supposition arises that she has no personality to execute, sign and swear in the said Answer.

While it is true that verification is merely a formal requirement of the law and is not a jurisdictional matter, it does not make it less a rule, for "what is at stake is the matter of verity attested by the sanctity of an oath to secure an assurance that the allegations in the pleading have been made in good faith, or are true and correct and not merely speculative." (Hun Hyung Park v. Eung Won Choi, G.R. No. 165496, February 12, 2007)

It is so much as observed that respondent-applicant's non-submission of Rejoinder repressed its opportunity to rebut the issue of defective Verification, more so, to cure the defect in its Answer. In fact, respondent-applicant did not attend the Preliminary Conference for this instant case, leading to the conclusion that respondent-applicant has no jurisdiction worthy of this Bureau's consideration.

This Decision will therefore be based on the Opposition and the evidences attached therewith.

Now, the primordial issue of confusing similarity.

Section 123.1 (d) of Republic Act (R.A.) No. 8293, or the Intellectual Property Code, provides, to wit:

"Sec. 123. *Registrability* – 123.1. A mark cannot be registered if it:

x x x

(d) Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of:

- (i) The same goods or services, or
- (ii) Closely related goods or services, or
- (iii) If it nearly resembles such a mark as to be likely to deceive or cause confusion;

x x x”

The forgoing provision deduced that the determining factor in the registration of marks is whether the use of the competing marks in connection with the goods or business will *likely cause confusion*.

In the instant case, the contending marks are opposer’s registered trademark “EUCERIN” and respondent-applicant’s applied mark “EUROCIN” illustrated as follows:



The examination of the marks “EUCERIN” and “EUROCCIN” reveals similarity such that the first two letters of both marks consist of letters “E” and “U” and the last two letters are “I” and “N”. A further scrutiny would show that the only difference between the marks being the replacement of the three median letters “CER” and “ROC” of opposer and respondent-applicant, respectively. It is in fact apparent that the letters “R” and “C” are both present and merely juggled. The only difference comes in the letters “E” and “O” which are both positioned in the middle of both marks. Obviously, both consist of three syllables which, when pronounced, produced similar sounds that one may confuse one product from the other.

Inn so far as the goods covered by the contending marks, it is apparent that both trademarks cover pharmaceutical preparations falling under Class 5 of the Nice Classification of Goods. As such, both products flow through the same channels of trade, therefore, confusion between the two trademarks would likely result to prospective buyers. In the case of Continental Connector Corp. vs. Continental Specialties Corp., 207 USPQ 60, the rule applied was that, the conclusion created by use of the same word as the primary element in a trademark is not counteracted by the addition of another term. By analogy, confusion cannot be avoided by merely dropping or changing one of the letters of a registered mark. Confusing similarity exists when there is such a close or ingenuous imitation as to be calculated to deceive ordinary persons, or such resemblance to the original as to deceive ordinary purchaser as to cause him to purchase the one supposing it to be the other. (Societe Des Produits Nestle, S.A. vs. Court of Appeals, G.R. No. 112012, April 4, 2001) An unfair competitor need not copy the entire mark to accomplish its fraudulent purposes. It is enough if he takes the one feature which the average buyer is likely to remember. (Nims, The Law of Unfair Competition and Trademarks, 4th ed., Vol. 2, pp. 678-679) Indeed, measured against the dominant-feature standard, Respondent-Applicant’s mark must be disallowed. For undeniably, the dominant and essential feature of the article is the trademark itself.

It is also worthy to note that the determinative factor in a contest involving registration of trademark is not whether the challenged mark would actually cause confusion or deception of the purchasers but whether the use of the mark would likely cause confusion or mistake on the part of the buying public. The law does not require that the competing marks must be so identical as to produce actual error or mistake. It would be sufficient that the similarity between the two marks is such that there is possibility of the older brand mistaking the newer brand for it.

Finally, it must be emphasized that opposer's mark "EUCERIN" (to which respondent-applicant's mark "EUROCIN" is confusingly similar) is deemed a registered mark since 30 April 2007, pending the issuance of Certificate of Registration, by virtue of the issuance of a certified true copy of Application No. 4-2006-010489 of this Office (Exhibit "Y"). Thus, opposer is entitled to protection pursuant to Section 138 of Republic Act No. 8293 which states that "the certificate of registration is a prima facie evidence of the registrant's ownership of the mark, and of the exclusive right to use the same in connection with the goods or services specified in the certificate and those that are related thereto."

Anent the allegation of opposer that its trademark "EUCERIN" is well-known and therefore, protected under subsection (e), Section 123 (d), supra., this Bureau cannot agree.

Opposer failed to submit eloquent proof to prove that the mark has actually gained and enjoyed a worldwide reputation internationally and in the Philippines, in accordance to the Rules and Regulations on Trademarks, Service Marks, Trade Names and Marked or Stamped Containers, particularly Rule 102, which enshrines the criteria to determine a well-known mark, to wit:

"Rule 102. Criteria for determining whether a mark is well-known. – In determining whether a mark is well-known, the following criteria or any combination thereof may be taken into account:

- (a) the duration, extent and geographical area of any use of the mark, in particular, the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies;
- (b) the market share, in the Philippines and in other countries, or the goods and/or services to which the mark applies;
- (c) the degree of the inherent or acquired distinction of the mark;
- (d) the quality-image or reputation acquired by the mark;
- (e) the extent to which the mark has been registered in the world;
- (f) the exclusivity of registration attained by the mark in the world;
- (g) the extent to which the mark has been used in the world;
- (h) the exclusivity of use attained by the mark in the world;
- (i) the commercial value attributed to the mark in the world;
- (j) the record of successful protection of the rights in the mark;
- (k) the outcome of litigations dealing with the issue of whether the mark is a well-known mark; and

- (l) the presence or absence of identical or similar marks validly registered for or used on identical or similar goods or services and owned by persons other than the person claiming that his mark is a well-known mark.”

The evidence of opposer is converged on its international product operation and promotion. Opposer failed to show the actual duration and extent of its sales, use and promotion in Philippine market. The declaration of a well-known mark is not alone reliant to world wide registrations but has likewise to consider Philippine market activities in terms of mark registration, use, promotion and advertisement and other related acts.

IN VIEW of all the foregoing, the instant Verified Opposition is, as it is hereby SUSTAINED. Consequently, trademark application bearing Serial No. 4-2006-000811 for the mark “EUROCIN” filed on 25 January 2006 covering Class 05 goods for pharmaceutical preparations namely, antibacterial is hereby REJECTED.

Let the file wrapper of “EUROCIN“, subject matter of this case together with a copy of this Decision be forwarded to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Makati City, 17 October 2008.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs
Intellectual Property Office