

BIOMEDIS, INC.,	}	Inter Partes Case No. 14-2008-00227
Opposer,	}	Case Filed: 30 September 2008
	}	Opposition to:
	}	
-vs-	}	Appl'n. Serial No. : 4-2008-001881
	}	Date Filed: 15 February 2008
	}	Trademark: "ZYMOCLAV"
ZUNECA INCORPORATED,	}	
Respondent-Applicant.	}	
x-----x	}	Decision No. 2009-46

DECISION

This pertains to the opposition for the registration of the mark "ZYMOCLAV" bearing Application Serial No. 4-2008-001881 filed on 15 February 2008 covering the goods "medicine for infections of upper respiratory, lower respiratory tract, genitor urinary tract skin, soft tissue, bone, intra abdominal, dental and pre-post surgical infections" falling under Class 5 of the International Classification of goods which trademark application was published for opposition on page three (3) of the Intellectual Property Philippines (IPP) Electronic Gazette (E-Gazette), which was officially released for circulation on 01 August 2008.

The Opposer in the instant case is "BIOMEDIS, INC.", a corporation duly organized and existing under and by virtue of the laws of the Philippines with business address located at No. 750 Shaw Boulevard, Mandaluyong City.

On the other hand, the Respondent-Applicant is "ZUNECA INCORPORATED", a domestic corporation with principal office address at No. 86 K-6th Street, East Kamias, Quezon City.

The grounds of the opposition are as follows:

- "1. The trademark "ZYMOCLAV" so resembles "AMOCLAV" trademark owned by Opposer, registered with this Honorable Office prior to the publication for opposition of the mark "ZYMOCLAV". The trademark "ZYMOCLAV", which is owned by Respondent-Applicant, will likely cause confusion, mistake and deception on the part of the purchasing public, most especially considering that the opposed trademark "ZYMOCLAV" is applied for the same class of goods as that of trademark "AMOCLAV", i.e. Class (5).

- "2. The registration of the trademark "ZYMOCLAV" in the name of Respondent-Applicant will violate Sec. 123 of Republic Act No. 8293, otherwise known as the "Intellectual Property Code of the Philippines", which provides in part, that a mark cannot be registered if it:
 - (d) is identical with a registered mark belonging to a different proprietor or mark with an earlier filing or propriety 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; (Emphasis supplied)

Under the above-quoted provision, any mark which is similar to a registered mark shall be denied registration in respect of similar or related goods or if the mark applied for nearly resembles a registered mark that confusion or deception in the mind of the purchasers will likely to result.

- “3. Respondent-Applicant’s use and registration of the trademark “ZYMOCLAV” will diminish the distinctiveness and dilute the goodwill of Opposer’s trademark “AMOCLAV”.

The Opposer relied on the following facts in support of its opposition:

- “4. Opposer, the registered owner of the trademark “AMOCLAV”, is engaged in the marketing and sale of a wide range of pharmaceutical products. The Trademark Application for the trademark “AMOCLAV” was filed with the Intellectual Property Office on 24 May 1999 by Opposer and was approved for registration by this Honorable Office on 01 July 2005 and valid for a period of ten (10) years. Hence, Opposer’s registration of the “AMOCLAV” trademark subsists and remains valid to date. Attached is a copy of the Certificate of Registration and marked as Annex “B”.
- “5. The trademark “AMOCLAV” has been extensively used in commerce in the Philippines.
- 5.1 Opposer dutifully filed Affidavits of Use pursuant to the requirement of law, to maintain the registration of “AMOCLAV” in force and effect. A copy of the Declaration of Actual Use filed by Opposer is hereto attached as Annex “C”.
 - 5.2 A sample of product label bearing the trademark “AMOCLAV” actually used in commerce is hereto attached as Annex “D”.
 - 5.3 In order to legally market, distribute and sell these pharmaceutical preparations in the Philippines, we registered the products with the Bureau of Food and Drugs (BFAD). A copy of the Certificate of Product Registration issued by the BFAD for the mark “AMOCLAV” is hereto attached as Annex “E”.
 - 5.4 No less than the Intercontinental Marketing Services (IMS) itself, the world’s leading provider of business intelligence and strategic consulting services for the pharmaceutical and healthcare industries with operations in more than 100 countries, acknowledged and listed the brand “AMOCLAV” as the leading brand in the Philippines in the category of “Broad Spectrum Penicillin” in terms of market share and sales performance. (Attached is a copy of the certification and sales performance marked as Annex “F”.)

“6. There is no doubt that by virtue of the above-mentioned Certificate of Registration, the uninterrupted use of the trademark “AMOCLAV”, and the fact that they are well-known among consumers as well as to internationally known pharmaceutical information provider, the Opposer has acquired an exclusive ownership over the “AMOCLAV” marks to the exclusion of others.

“7. “ZYMOCLAV” is confusingly similar to “AMOCLAV”.

7.1 There is no set of rules that can be deduced in particularly ascertaining whether one trademark is confusingly similar to, or is a colorable imitation of another. Nonetheless, jurisprudence provides enough guidelines and tests to determine the same.

7.1.1 In fact, in *Societe Des Produits Nestle S.A vs. Court of Appeals* [356 SCRA 201, 216] the Supreme Court, citing *Etepha vs. Director of Patents*, held in determining if colorable imitation exists, jurisprudence has developed two kinds of tests – Dominancy Test and the Holistic Test. The test of dominancy focuses on the similarity of the prevalent features of the competing trademarks which might cause confusion or deception and thus constitute infringement. On the other side of the spectrum, the holistic test mandates that the entirety of the marks in question must be considered in determining confusing similarity.

7.1.2 It is worthy to note at this point that in *Societe Des Produits Nestle, S.A. vs. Court of Appeals* [Supra, p. 221] the Supreme Court held “The totality or holistic test relies on visual comparison between two trademarks whereas the dominancy test relies not only on the visual buy also on the aural and connotative comparison an overall impressions between the two trademarks.”

7.1.3 Relative thereto, the Supreme Court in *Mc Donald’s’ Corporation vs. L.C Big Mak Burger, Inc.*, [147 SCRA 10] held:

“This Court, however, has relied on dominancy test rather than the holistic test. The dominancy test considers the dominant features in the competing marks in determining whether they are confusingly similar. Under the dominancy test, courts give greater weight to the similarity of the appearance of the product arising from the adoption of the dominant features of the mark, disregarding minor differences. Courts will consider more the aural and visual impressions created by the marks in the public mind, giving little weight to factors like prices, quality, sales outlets and market segments.”

Thus, in the 1954 case of *Co Tiong Sa vs. Director of Patents*, the Court ruled:

“...It has been consistently held that the question of infringement of a trademark is to be determined by the test of dominancy. Similarity in size, form and color, while relevant, is not conclusive. If the competing trademark contains the main or essential or dominant features of another, and confusion and deception is likely to result, infringement take place. Duplication or imitation is not necessary; nor is it necessary that the infringing label should suggest an effort to imitate. (G. Heilman Brewing Co., vs Independent Brewing Co., 191 F., 489, 495, citing Eagle White Lead Co., vs. Pflugh (CC) 180 Fed. 579). The question at issue in cases if infringement of trademarks is whether the use of the marks involved would be likely to cause confusion or mistakes in the mind of the public or deceive purchasers. (Auburn Rubber Corporation vs. Honover Rubber Co., 107 F. 2d 588;) (Emphasis Supplied)

XXX”

7.1.4 Applying the dominancy test, it can be readily conclude that the trademark “ZYMOCLAV”, owned by the Respondent-Applicant so resembles the trademark “AMOCLAV”, that it will likely cause confusion, mistake deception on the part of the purchasing public.

7.1.4.1 First “ZYMOCLAV” sounds almost the same as “AMOCLAV”;

7.1.4.2 Second, the last two (2) syllables of both marks are the same;

7.1.4.3 Third, both marks are composed of two (2) syllables;

7.1.5 Clearly, the Respondent-Applicant adopted the dominant features of the Opposer’s mark “AMOCLAV”;

7.1.6 As further ruled by the High Court in *McDonalds’ case* [p.33];

“In short, aurally the two marks are the same, with the first word of both marks also phonetically the same. Visually, the two marks have both words and six letters and the second word having the same first two letters. In spelling, considering the Filipino language, even the letters of both marks are the same.

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“The Court has taken into account the aural effects of the words and letters contained in the marks in determining the issue of confusing similarity.”

7.2 The trademark “AMOCLAV” and Respondent’s trademark “ZYMOCLAV” are practically identical in sound and appearance that they leave the same commercial impression upon the public.

7.2.1 Thus, the two marks can easily be confused for one over the other, most especially considering that the opposed trademark “ZYMOCLAV” is applied for the same class and goods as that of trademarks “AMOCLAV”, i.e. Class (5), to the Opposer’s extreme damage and prejudice.

7.3 Yet, Respondent still file a trademark application for “ZYMOCLAV” despite its knowledge of the existing trademark registration of “AMOCLAV” which is confusingly similar thereto in both its sound and appearance.

“8. Moreover, Opposer’s intellectual property right over its trademark is protected under Section 147 of Republic Act No. 8293, otherwise known as the Philippine Intellectual Property Code (“IP Code”), which states:

“The owner of a registered mark shall have the exclusive right to prevent all parties not having the owner’s consent from using in the course of trade identical or similar to those in respect of which the trademark is registered where such use would result in likelihood of confusion.” [Emphasis supplied]

“9. To allow Respondent to continue to market its products bearing the “ZYMOCLAV” mark undermines Opposer’s right to its marks. As the lawful owner of the mark “AMOCLAV”, Opposer is entitled to prevent the Respondent from using a confusingly similar mark in the course of trade where such would likely mislead the public.

“10. By virtue of Opposer’s prior and continued use of the trademark “AMOCLAV”, the same have become well-known and established valuable goodwill to the consumers and general public as well. The registration and use of Respondent’s confusingly similar trademark on its goods will enable the latter to obtain benefit from the Opposer’s reputation, goodwill and advertising will tend to deceive and/or confuse the public into believing that Respondent is in any way connected with the Opposer.

“11. Likewise, the fact that Respondent seeks to have its mark “ZYMOCLAV” registered in the same class (NICE Classification 5) as the trademark “AMOCLAV” of Opposer will undoubtedly add to likelihood of confusion among the purchasers of these two goods.

“12. Thus, Opposer’s interests are likely to be damaged by the registration and use of the Respondent-Applicant of the trademark “ZYMOCLAV”. In support of the foregoing, the instant Opposition is herein verified by Mr. John Dumpit which likewise serves as his affidavit (Nasser vs. Court of Appeals, 191 SCRA 786 [1990]).

Opposer submitted the following as it exhibits in support of its opposition.

Annex	Description
Annex "A"	Trademark published for opposition.
Annex "B"	Certificate of Registration No. 4-1999-003627 for the mark "AMOCLAV" issued on July 01, 2005
Annex "C"	Certified copy of Declaration of Actual Use (DUA) for the mark "AMOCLAV"
Annex "D"	Actual labels of the mark "AMOCLAV".
Annex "E"	Certified copy of Certificate of Product Registration for the mark "AMOCLAV" issued by the Bureau of Food and Drugs (BFAD).
Annex "F"	Certification signed by Mr. Leo R. Yap Jr. country manager IMS Health Philippines, Inc.

On the other hand, Respondent-Applicant did not submit any evidence in support of its trademark application being opposed and in fact, it did not file its verified answer to the verified notice of opposition despite having been received the Notice to Answer on November 4, 2008.

Section 11 of the Summary Rules (Office Order No. 79, Series of 2005), provides:

Section 11. Effect of failure to file an Answer. – In case the Respondent-Applicant fails to file an answer, or if the answer is filed out of time, the case shall be decided on the basis of the Petition or Opposition, the affidavit of the witnesses and documentary evidence submitted by the Petitioner or Opposer.

The issue to be resolved in this particular case is:

WHETHER OR NOT THE RESPONDENT-APPLICANT IS ENTITLED TO THE REGISTRATION OF THE MARK "ZYMOCLAV".

The applicable provision of the law is Section 123.1 (g) and (h) of Republic Act No. 8293, which provides:

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

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- "(d) Is identical with a registered mark belonging to a different proprietor or 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;

The contending trademarks are reproduced below for comparison and scrutiny.

AmoClav	ZYMOCLAV
Opposer's mark	Respondent-Applicant's mark

The contending trademarks are composed of three (3) syllables each. The last (2) syllables "MOCLAV" is the same or identical in spelling and pronunciation. The two trademarks differ only in their first syllables, however, this slight distinction does not in any way negate the existence of confusing similarity.

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 such mark would likely cause confusion or mistake on the part of the buying public. In short, to constitute an infringement of an existing trademark, patent and warrant a denial of an application for registration, the law does not require that the competing trademarks must be so identical as to produce actual error or mistake, it would be sufficient, for purpose of the law, that the similarity between the two labels is such that there is a possibility or likelihood of the purchaser of the older brand mistaking the newer brand for it. (American Wire & Cable Company vs. Director of Patents et. al., [31 SCRA 544] [G.R. No. L-26557, February 18, 1970])

It is worthy to note that the Opposer's mark "AMOCLAV" has been registered with the Intellectual Property Philippines bearing Registration No. 4-1999-003627 issued on July 01, 2005 (Annex "B") and the Affidavit of Use or the Declaration of adoption by the Respondent-Applicant of substantially the same mark as subsequent user can only mean that applicant wishes to reap the goodwill, benefit from the advertising value and reputation of Opposer's mark. The goods covered by the competing marks fall under the same class 5 of the international classification of goods.

It cannot therefore be denied that the approval of Respondent-Applicant's application in question is in violation of Section 123.1 (d) of Republic Act No. 8293 and Section 138 because the said mark is confusingly similar to Opposer's registered mark which is not abandoned.

The right to registered trademarks, trade-names and service marks is based on ownership. Only the owner of the mark may apply for its registration (Bert R. Baganio vs. Director of Patents, et. al., G.R. No. L-20170, August 10, 1965).

WHEREFORE, with all the foregoing, the opposition is, as it is hereby SUSTAINED. Consequently, Trademark Application No. 4-2008-001881 for the mark "ZYMOCLAV" filed on February 15, 2008 by ZUNECA INCORPORATED is, as it is hereby REJECTED.

Let the filewrapper of the trademark "ZYMOCLAV" 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, 22 April 2009.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs