

F-HOFFMAN-LA ROCHE, A.G.
Opposer

-versus-

CELINA B. GUTIERREZ,
Respondent-Applicant

x-----x

IPC No. 14-2002-00035
Opposition to:

Serial No. : 4-1999-06352
Date Filed : 27 August 1999
Trademark : "CEPHIN"

Decision No. 2005-02

DECISION

Before this Office is an Opposition filed by F. Hoffman-La Roche AG, a corporation duly organized under the laws of the State of Switzerland, with principal office address at No. 124 Grenzacherstrasse, Basle, Switzerland, against the registration of the trademark "CEPHIN" for goods under Class 5 with Application Serial No. 4-1999-06352 and filed on 27 August 1999 in the name of CELINA B. GUTIERREZ with address at No. 83 Engineering St., GSIS Village, Project 8, Quezon City.

The subject application was published on page 14, Volume V, No. 2 issue of the Official Gazette, which was officially released for circulation on June 25, 2002. Opposer filed a Verified Notice of Opposition on September 16, 2000.

The grounds for the opposition to the registration of the trademark CEPHIN are as follows:

"1. Opposer through its predecessor-in-interest is the first user and registered owner of the trademark ROCEPHIN under Registration No. 38834 issued on 29 April 1988, first used in commerce on 27 May 1982 and in the Philippines on 1 November 1983. Opposer through its predecessor-in-interest is the first user of the trademark ROCEPHIN in the Philippines and elsewhere.

"2. Applicant's trademark CEPHIN so resembles Opposer's trademark ROCEPHIN, as to be likely, when applied to or used in connection with the goods of Applicant, to cause confusion, mistake and deception on the part of the purchasing public by misleading them into thinking that Applicant's goods either come from Opposer or are used, sponsored or licensed by it.

"3. Applicant's trademark CEPHIN is used on anti-infective/antibacterial (antibiotic) while Opposer's mark ROCEPHIN is used on antibiotic preparations. Considering that the goods on which the marks CEPHIN and ROCEPHIN are used are identical and flow through the same channels of trade, it is likely that confusion on the part of the purchasing public will arise as to the origin of the goods.

"4. The registration and use by Applicant of the trademark CEPHIN will diminish the distinctiveness and dilute the goodwill of Opposer's trademark ROCEPHIN, which is an arbitrary trademark when applied on Opposer's products.

"5. Applicant adopted the trademark CEPHIN on her own goods with the obvious intention of misleading the public into believing that her goods bearing the trademark originate from, or are licensed or sponsored by Opposer, which has been identified in the trade and by consumers as the source of goods bearing the trademark ROCEPHIN.

“6. The approval of Applicant’s trademark CEPHIN is based on the representation that she is the originator, true owner and first user of the trademark, which was merely derived from Opposer’s ROCEPHIN trademark.

“7. Opposer is the first user of the trademark ROCEPHIN in Philippine commerce and elsewhere for decades.

“8. Applicant’s appropriation and use of the trademark CEPHIN infringe upon Opposer’s exclusive right to use the trademark ROCEPHIN, which is well-known trademark protected under Sections 147 and 165(2) (a) of the IP Code and Articles 6bis of the Paris Convention and Article 16 of the Agreement on Trade Related Aspects of Intellectual Property Rights to which the Philippines and the United States of America adhere.

“9. The registration of the trademark CEPHIN in the name of the Applicant is contrary to other provisions of the IP Code.”

Opposer relied on the following facts to support its contentions in this Opposition:

“1. Opposer has adopted and used the trademark ROCEPHIN for its goods long before Applicant’s unauthorized appropriation of the trademark CEPHIN. Opposer has been commercially using the trademark ROCEPHIN prior to the appropriation and the filing of the application for the registration of the trademark CEPHIN by Applicant.

“2. Opposer is the first user of the trademark ROCEPHIN. Opposer has also used and registered or applied for the registration of the trademark ROCEPHIN in many other countries worldwide.

“3. Opposer’s trademark ROCEPHIN is an arbitrary trademark and is entitled to broad legal protection against unauthorized users like Applicant who has appropriated the infringing trademark CEPHIN for her own goods.

“4. Opposer is the first user of the trademark ROCEPHIN for the above-mentioned goods. Applicant has appropriated the trademark CEPHIN for the obvious purpose of capitalizing upon the renown of Opposer’s self-promoting trademark by misleading the public into believing that his goods originate from, or are licensed or sponsored by Opposer.

“5. The registration and use of a confusingly similar trademark by the Applicant will tend to deceive and/or confuse purchasers into believing that Applicant’s products emanate from or are under the sponsorship of Opposer and damage Opposer’s interests for the following reasons:

- a) The trademarks are substantially identical and the goods on which the marks are used are identical;
- b) Applicant’s unauthorized appropriation and use of CEPHIN will dilute the goodwill and reputation of Opposer’s mark ROCEPHIN among consumers;
- c) Applicant used CEPHIN on her own products as a self-promoting trademark to gain public acceptability for his products through its association with Opposer’s popular ROCEPHIN trademark;

Applicant intends to trade, and is trading on, Opposer’s goodwill.

- e) The registration and use of an identical trademark by Applicant will diminish the distinctiveness and dilute the goodwill of Opposer's trademark."

In her Answer, Respondent-Applicant raised the following defenses to defeat to defeat the Opposition and support her application:

- "1. That the Respondent-Applicant has no knowledge or information about the corporate existence and circumstances of Opposer and therefore, she specifically denies the allegations relating thereto.
- "2. That the allegation in the Notice of Opposition to the effect that my trademark "CEPHIN" resembles Opposer's mark has no legal as well as factual basis and is a conclusion of its opinion, hence the same is hereby specifically denied and can not be admitted whatsoever.
- "3. That my mark "CEPHIN" is being used on medicines and as much is hereby admitted, but to the allegation that Opposer's mark is used on antibiotic preparation, Respondent-Applicant has no knowledge or information about it, hence she specifically denies the said allegation.
- "4. That registration and use of my mark "CEPHIN" will not diminish the distinctive and dilute the goodwill of Opposer's mark because my mark is distinct and different from Opposer's mark and they are not confusingly similar.
- "5. Respondent-Applicant adopted the mark "CEPHIN" on her goods not to mislead the public but on the contrary, it is to produce medicines for the public to use and this is govern by an existing generic law (R.A. No. 6615) whereby medical practitioner (physician) is required to write the Generic Name of the drug as well as the Brand name which will be printed on the labels.
- "6. That as Respondent-Applicant, I am the true and originator and first user of my mark "CEPHIN" and at the time I applied for its registration and started the use of my mark, there were no other parties registered the same.
- "7. As to the allegation in paragraph 7 of the Notice of Opposition regarding the use of Opposer's mark "ROCEPHIN" Respondent-Applicant specifically denies the same for she has no sufficient knowledge or information about such matter.
- "8. With regards to allegation in paragraph 8 of the opposition that my mark "CEPHIN" infringe upon Opposer's right, such an allegation is without legal and factual basis. My mark is not confusingly similar with Opposer's mark and the public would not be confused on what to buy the brand of a medicine simply because a medicine of this kind can only be obtained from or through a prescription issued by a Doctor or a Physician as the case may be, so there is no conclusion much for infringement.
- "9. That before I applied for the registration of my brand, there is a Clearance Certificate that has been issued to me by the BFAD, dated August 25, 1997 specifically the brand name ("CEPHIN") cefuroxime, hence its registration is not contrary to law.

The Notice of Pre-Trial Conference dated 30 October 2002 was sent to the address on record of Respondent-Applicant by registered mail and a motion thereafter was filed by Applicant for a resetting of the scheduled Pre-Trial Conference. For failure of Respondent-Applicant or her Counsel to appear during the re-scheduled Pre-Trial Conference and to file the required Pre-Trial

Brief despite prior notice, Opposer moved to declare Respondent-Applicant as in declared on this score. This Office per Order No. 2003-155 dated 21 April 2003 declared Respondent-Applicant IN DEFAULT and Opposer was allowed to present its evidence ex-parte.

In support of its prayer for the rejection of Application Serial No. 4-1999-06352, Opposer presented and formally offered its documentary and testimonial evidence. Admitted in evidence for the Opposer based on the records are Exhibits "A" to "S" inclusive of sub-markings which consisted, among others, of the testimony in affidavit form of Mr. Tapio Blanc, Trademark Manager of F. Hoffman-La Roche AG, herein Opposer, authenticated copies of certificates of registration for the trademark ROCEPHIN issued by the Bureau of Patents, Trademarks and Technology Transfer on April 29, 1988 and in other countries worldwide such as the United States of America, Japan, Australia, Germany, Italy, United Arab Republic, Vietnam, among others, under Class 5 and primarily for antibiotic preparations.

Tersely, the issue for this Office disposition is the propriety of Application Serial No. 4-1999-06352; whether or not Respondent-Applicant is entitled to register the mark CEPHIN covering goods in Class 5 specifically "anti-infective/antibacterial" (antibiotics).

In the language of R.A. 8293, more particularly Section 123 (d) and (e), it is said that:

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

- (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;*

- (e) *Is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines, to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: Provided, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;*

xxx

After a close scrutiny and careful evaluation of the records and evidence presented, this Office finds substantiation to the grounds relied upon to sustain this instant Opposition.

In the instant case, the mark CEPHIN of Respondent-Applicant is substantially or confusingly similar to the mark ROCEPHIN used and not abandoned by Opposer. Respondent-Applicant's mark likewise constitutes the dominant part of the Opposer's trademark, the dominant part being the word CEPHIN is present in the questioned mark. Opposer has adopted the mark ROCEPHIN and subsequently obtained international registration of the mark for pharmaceutical products as early as 1970 in Switzerland as can be gleaned in the evidence offered (Exhibit "B"), covering countries such as Germany, France, Spain, Belgium, Italy, among others, and has then used the mark for antibiotic preparations (Class 5) in the Philippines since May 27, 1982 (Exhibit "J")

The Supreme Court in EMERALD CASE tersely stated that: *Whether or not a trademark causes confusion and is likely to deceive the public is a question of fact which is to be resolved*

by applying the “test of dominancy”, meaning, if the competing trademark contains the main or essential or dominant features of another by reason of which confusion and deception are likely to result, then infringement takes place; that duplication of imitation is not necessary, a similarity in the dominant features of the trademark would be sufficient.

Likewise in the case of *Co Tiong Sa vs. Director of Patents*, 95 Phil. 1, 4 (1954); and reiterated in *Lim Hoa vs. Director of Patents*, 100 Phil. 214, 216-217 (1956), the dominancy principle in trademark was formulated when it ruled that:

“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 takes place.”

The confusion stems or springs from Respondent-Applicant’s appropriation of the word “CEPHIN”, which is the same in sound and spelling and is considered the dominant, essential and distinguishing feature of Opposer’s trademark, ROCEPHIN. Both trademarks are used as antibiotics or antibacterial and are intended for cure or treatment against infection. They are pharmaceutical products or medicines belonging to the same class and are intended for the same purpose, for the treatment of infections of the boned, joints, soft tissue respiratory tract infections, including gonorrhea, perioperative prophylaxis of infections (Exhibit “R”) for the Opposer and actual label submitted by Respondent-Applicant in her application. The label for ROCEPHIN states 500 mg i.v. with the same statement blotted in the packaging in huge gray color while that of CEPHIN, it is indicated 750 mg injection (i.m./i.v.) after the mark CEPHIN.

Bolstering this observation is the pronouncement by court in the case of *Forbes, Munn & Co. (Ltd.) vs. Ang San To*, 40 Phil. 272, 275) where is stated that *the test was similarity or “resemblance between the two (trademarks) such as would be likely to cause the one mark to be mistaken for the other. . . . [But] this is not such similitude as amounts to identity.”*

From the evidence presented, Opposer has sufficiently established its claim that it had been in the business, its registrations worldwide granted as early as in the 1970 and has started using the mark ROCEPHIN under Class 5 on May 1982 in other countries and subsequently in the Philippines on November 1983 or more or less sixteen (16) years earlier that Respondent-Applicant’s filing date of application for the mark CEPHIN. Respondent only started using the mark CEPHIN sixteen (16) years after Opposer started selling commercially the mark ROCEPHIN in connection with pharmaceuticals in the Philippines and likewise in many countries abroad (Exhibits “K-S”).

As held in the case of *Unno Commercial Enterprises, Inc. vs. General Milling Corporation* “prior use by one will controvert a claim of legal appropriation by subsequent users”. It may therefore be inevitably concluded that Respondent-Applicant’s use of an almost identical or confusingly similar mark results in an unlawful appropriation of a mark previously used by Opposer and not abandoned, thereby contravening the explicit provision of Section 123.1 (d) of Republic Act No. 8293, which is the applicable law that controls the present controversy.

Viewed in the light of the principles above-stated, the issue now hinges to the question of whether or not Opposer’s trademark is popular, has earned international reputation and established goodwill bearing their trademark ROCEPHIN, and as such is entitled to protection under our law.

It may be taken as plausible the Opposer’s deduction that the resultant similarity or resemblance between trademarks was an intent by Respondent-Applicant to capitalize on the goodwill already earned and established by the Opposer through long and extensive use. The record eloquently shows that the mark ROCEPHIN has registrations, renewal and pending applications in the name of the Opposer in many countries around the world including the United

States of America (Exhibit "I"), Australia (Exhibit "D"), Japan (Exhibit "F"), South Africa (Exhibits "G") to name a few, were offered in evidence. To enhance its international reputation and to further promote goodwill over its mark ROCEPHIN, Opposer has extensively advertised its products in various publications circulated in many countries around the world (Exhibits "L-O"), including the Philippines (Exhibits "R-S").

Given the established goodwill and international reputation for its products specifically antibacterial preparations bearing the trademark ROCEPHIN, Opposer is entitled to protection when the use of the junior user, a Philippine applicant, "forestalls the normal expansion of their business".

Clearly etched in *Converse Rubber Corp. vs. Universal Rubber Products, Inc.* is the concept of likelihood of confusion where it said "The similarity in the general appearance of respondent's trademark and that of petitioner would evidently create a likelihood of confusion among the purchasing public. xxx The risk of damage is not limited to a possible confusion of goods but also includes *confusion of reputation* if the public could reasonably assume that the goods of the parties originated from the same source."

In like manner, the court in a long line of cases ruled thus:

"Those who desire to distinguish their goods from the goods of another have a broad field from which to select a trademark for their wares and there is no such poverty in the English language or paucity of signs, symbols, numerals etc. as to justify one who really wishes to distinguish his product from the other entering the twilight zone of or field already appropriated by another (*Weco Products Co., Milton Ray Co., 143 F. 2d 985, 32 C.C.P.A. Patents 1214*).

"why of the millions of terms and combinations of letter and designs available, the appellee had to choose those so closely similar to another's trademark if there was no intent to take advantage of the goodwill generated by the other mark" (*American Wire & Cable Co., vs. Dir. Of Patents 31 SCRA 544*)

"xxx why, with all the birds in the air, and all fishes in the sea, and all the animals on the face of the earth to choose from, the defendant company (*Manila Candy Co.*) elected two roosters as its trademark. Although its directors and managers must have been well aware of the long continued use of a rooster by the plaintiff with the sale and achievement of its goods? x x x a cat, a dog, a carabao, a shark, or an eagle stamped upon the rooster for the product of defendant's factory. Why did defendant select two roosters as its trademark? (*Clarke vs. Manila Candy Co., Phil 100*)."

The Opposer has sufficiently corroborated its claim, there being enough evidence to convince this Office that it has adopted and used the mark ROCEPHIN sixteen (16) years earlier than Respondent's use of the mark CEPHIN, and that Respondent's mark CEPHIN is confusingly similar to its trademark ROCEPHIN, necessarily therefore, the inevitable conclusion, given all the foregoing is that application Serial No. 4-1999-06352 for the mark CEPHIN can not have any right superior to the trademark ROCEPHIN of Opposer.

WHEREFORE, premises considered, the Notice of Opposition is, as it is hereby, SUSTAINED. Consequently, application bearing Serial No. 4-1999-06352 filed by Celina B. Gutierrez for the registration of the mark "CEPHIN" used on antibiotics/antibacterial belonging to Class 5 is as it is hereby, REJECTED.

Let the filewrapper of CEPHIN subject matter of this case be forwarded to the Administrative, Financial and Human Resources Development Services Bureau for appropriate action in accordance with this DECISION with a copy furnished the Bureau of Trademarks for information and to update its record.

SO ORDERED.

Makati City, January 31, 2005.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs