

GLAXO GROUP LIMITED and }
GLAXO SMITHKLINE PHILS., INC., }
 Opposers }

-versus-

ARES TRADING S.A., }
 Respondent-Applicant }

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Inter Partes Case No. 14-2006-000158
Opposition to:

Appl'n Serial No. : 4-2003-006328

Date Filed : 16 July 2003

Trademark : "ZEMRIK"

Decision No. 2007 – 20

DECISION

This is an opposition to the registration of the mark "ZEMRIK" under application bearing Serial No. 4-2003-006328 filed on July 16, 2003 for the goods falling under class 5 of the International Classification of Goods, which application was published in the Intellectual Property Philippines e-Gazette on June 29, 2006.

The Opposer in the instant opposition proceedings is "GLAXOSMITHKLINE PHILIPPINES, INC., (GSK)", a corporation duly organized and existing under Philippine laws with principal office at GlaxoSmithKline Corporate Center, 2266 Chino Roces Avenue, Makati City, Philippines.

On the other hand, Respondent-Applicant is "ARES TRADING S.A." with address at Zone Industrielle De L'ourettaz, CH-1171 Aubonne, Switzerland.

Grounds for the opposition are as follows:

- "1. Opposer Glaxo Group Limited is the exclusive owner by prior trademark registration and widespread prior adoption and use, of the trademark "ZEFFIX", under Philippine Certificate of Registration No. 4-1994-94870 (issued on 1 March 2001) for goods under Class 5, specifically "anti-viral pharmaceutical preparations and substances".

A copy of Philippine Certificate of Registration No. 4-1991-94870 is attached hereto and marked as Exhibit "A".

- "2. The trademark "ZEFFIX" is also registered in favor of Opposer Glaxo Group Limited in several foreign jurisdiction, among which are: Algeria, Australia, Austria, Bahrain, Belarus, Benelux, Bulgaria, Bermuda, Brazil, Cambodia, Canada, China, Croatia, Denmark, Egypt, France, Germany, Greece, Ireland, Italy, Jamaica, Latvia, Pakistan, Singapore, South Africa, South Korea, Spain, Switzerland, Taiwan, Thailand, Turkey and the United States of America.

Attached hereto and marked as exhibit "B" is the affidavit of Mailyn Ocampo, the corporate Legal Counsel of GSK. A representative sample of certified copies of foreign Certificates of Registration for the trademark "ZEFFIX" (and their accompanying English translations, where applicable), with a covering certification, is attached to the Affidavit and marked as Exhibits "B-1" to "B-22".

- "3. The trademark "ZEFFIX" is an original coined word mark created and first used by Opposer Glaxo Group Limited. It is unique to GGL, and no other pharmaceutical company has legitimately used this mark before.

- “4. As owner of the trademark “ZEFFIX”, Opposer Glaxo Group Limited granted Opposer GlaxoSmithKline Philippines, Inc., the right to use “ZEFFIX” in an anti-infective, anti-rival drug, *lamivudine*, to be produced, marketed and distributed by GSK in the Philippines.

A certified copy of the Distribution Agreement between GGL and GSK is attached hereto and marked as Exhibit “C”.

- “5. Since around the time GGL filed an application for the registration of the trademark “ZEFFIX” in the Philippines in 26 May 1994, Opposer GSK has used “ZEFFIX” to sell, distribute and promote *lamivudine* bearing the brand name “ZEFFIX”. In particular, *lamivudine* is used for the treatment of chronic Hepatitis B. This exclusive use by GSK in the Philippines of “ZEFFIX” for at least twelve (12) years has resulted in the mark becoming associated by healthcare professionals and the relevant public almost exclusively with the Opposer’s GSK’s *lamivudine* product.
- “6. Respondent-Applicant “ARES TRADING’S “ZEMRIK” mark nearly resembles Opposer’s “ZEFFIX” trademark, which has already been registered on 01 March 2001. Not only does Respondent seek to register its “ZEMRIK” mark under the same class as Opposer’s “ZEFFIX” (i.e. Class 5). Its spelling also closely resembles that of Opposers’ registered trademark. In addition, the two marks, when pronounced, are likewise substantially similar. Thus, the use of the subject trademark “ZEMRIK” on any anti-viral pharmaceutical preparations and substance is likely to deceive or cause confusion on the part of the public.
- “7. In light of the foregoing, GGL and GSK oppose the registration of “ZEMRIK” as a trademark, unless limited to pharmaceutical preparations and substances that are not anti-viral. Therefore, at the very least, the specification of goods of the subject application should be amended to provide the following.

“Pharmaceutical preparations, namely preparations of the treatment of immunological diseases and disorders, inflammatory diseases and disorders, neurological diseases and disorders, cardiovascular diseases and disorders, gastroenterologic diseases and disorders, metabolic diseases and disorders, except anti-viral pharmaceutical preparations and substances for the treatment and/or alleviation of all viral diseases and disorders.”

- “8. Altogether, Opposer are known, both locally and abroad, for the manufacture and distribution of quality and dependable pharmaceutical preparations, including the *lamivudine* drug with the registered trademark “ZEFFIX”. Both GGL and GSK have endeavored, and are entitled to the protection of such reputation. The registration of the subject mark is likely to mislead the public into believing that the anti-viral pharmaceutical preparation on which it is used is manufactured and distributed by the Opposers. Thus, the subject trademark application for “ZEMRIK” should be denied.

On November 10, 2006, this Office, Bureau of Legal Affairs (BLA), issued a Notice to Answer mailed through IPO Box addressed to Del Rosario Bagamasbad & Raboca, requiring the Respondent-Applicant to file its Verified Answer to the Notice of Opposition within thirty (30) days

from receipt together with the affidavits of witnesses and originals or certified true copies of public documents and other documents in support of its application.

To date, February 2007 or more than thirty (30) days had lapsed, no Answer has been filed by the Respondent-Applicant, hence it shall be construed a waiver to file such affidavits and/or documents.

Section 11 of the Summary Rule, Office Order No. 79, Series of 2005, provides:

Section 11. *Effect of failure to file Answer.* In the case, 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 affidavits of the witnesses and documentary evidence submitted by the Petitioner or Opposer.

The only issue to be resolved is:

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

The applicable provisions of law is, Section 123 of Republic Act No. 8293, which provides:

"Sec. 123. *Registrability* – 123.1. *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 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 Opposer submitted in evidence the following:

1. Exhibit "A" – Certificate of Registration No. 4-1994-94870 for the mark "ZEFFIX".
2. Exhibit "B" – Affidavit of Mailyn V. Matamis-Ocampo
3. Exhibits "B-1" to "B-22".

As stated by the Opposer in its Notice of Opposition, the mark of the Respondent-Applicant "ZEMRIK" nearly resembles Opposer's mark "ZEFFIX" which has already been registered on March 1, 2001 with the Intellectual Property Philippines (IPP). Moreover, Respondent-Applicant's "ZEMRIK" mark cover goods falling under the same class as of Opposer's "ZEFFIX" (Class 5) of the International Classification of goods. Its spelling also closely resembles that of Opposer's registered trademark. In addition, the two marks when pronounced, are likewise substantially similar. It is also noted that Opposer's mark "ZEFFIX" is registered in over one hundred and fifty (150) jurisdictions (Exhibit "D").

Furthermore, not filing an Answer to the Verified Opposition, the allegations of the Opposer is presumed to have been admitted since they were not disputed.

In *Delbros Hotel Corporation vs. Intermediate Appellate Court*, 159 SCRA 533, 543 (1988), the Supreme Court held that:

“Fundamentally, default orders are taken on the legal presumption that in failing to file an answer, the defendant does not oppose the allegations and relief demanded in the complaint.”

Indeed, this Bureau cannot but notice that lack of concern the Respondent-Applicant had shown in not protecting the mark it had applied for registration by not filing its verified answer to the notice of opposition, contrary to the disputable presumption that “a person takes ordinary care of his concern”, enunciated in Section 3(d) of Rule 131 of the Rules of Court.

It cannot be denied that despite receipt of notice to file the required answer, Respondent-applicant failed to do so. It opted not to defend its case, contrary to the declared policy of the Supreme Court to the effect that “*it is precisely the intention of the law to protect only the vigilant, not those guilty of laches*”. (Pag-asa Industrial Corp., vs. Court of Appeals, 118 SCRA 526)

IN THE LIGHT OF THE FOREGOING, the Opposition is, as it is hereby SUSTAINED. Consequently, trademark application bearing Serial No. 4-2003-006328 filed on July 16, 2003 by ARES TRADING S.A. for the registration of the mark “ZEMRIK” is hereby REJECTED.

Let the filewrapper of the trademark “ZEMRIK” 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, 26 February 2007.

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