

GLAXO GROUP LIMITED,	}	Inter Partes Case No. 14-2004-00074
Opposer	}	Opposition to:
	}	
-versus-	}	Appl'n. Ser. No. : 4-1999-006520
	}	Date Filed : 01 September 1999
	}	Trademark : "VALMOX"
IAE PHARMACEUTICALS CORP.,	}	
Respondent-Applicant.	}	
x-----x		Decision No. 2006 – 21

DECISION

This is an opposition to the registration of the mark "VALMOX" for amoxicillin (drug) filed on September 1, 1999 under Serial No. 4-1999-006520 in the name of IAE Pharmaceutical Corporation with address at 25 Kabignayan St., Banawe, Quezon City which trademark application was published on page 77 of Volume VI, No. 13, I.O. 2004-09 issue of the Official Gazette, officially released for circulation on February 9, 2004.

The Opposer is GLAXO Group Limited, a corporation organized and existing under the laws of the United Kingdom, with registered office at Glaxo Wellcome house, Berkley Avenue, Greenford, Middlesex, UB6 ONN, united Kingdom.

The grounds for the opposition are as follows"

- "1. Opposer is the first user and true owner of the trademark VOLMAX, which is registered in the Philippines under Registration No. 46532, issued on September 27, 1989, for use in connection with pharmaceutical preparations and substances for the prevention, treatment and/or alleviation of respiratory disorders and for which it has obtained *in excess of one hundred and sixteen (116)* registrations worldwide. Opposer first used the mark in Denmark and New Zealand in 1987 and has been using VOLMAX on goods in Class 5 for pharmaceutical preparations in the Philippines since July 1991, long before applicant appropriated VALMOX as a mark. Applicant's trademark VALMOX as to be likely, when applied to or used in connection with the Applicant's related pharmaceutical preparations, to cause confusion, mistake and deception on the part of the purchasing public.
- "2. The registration of the trademark VALMOX in the name of the Applicant will violate Section 37 of the Republic Act No. 166, Section 147 of the Intellectual Property Code, Article 6bis and 8 of the Paris Convention for the Protection of industrial Property and Article 16 of the Agreement on Trade Related Aspects of Intellectual Property Rights, to which the Philippines and the United States of America are parties.
- "3. The registration and use by Applicant of the trademark VALMOX will diminish the distinctiveness and dilute the goodwill of Opposer's trademark VOLMAX, which is an invented trademark for goods in Class 5, and which is an internationally well-known trademark within the meaning of the above treaties on industrial and intellectual property rights and Section 147 of the Intellectual Property Code.
- "4. Applicant adopted the confusingly similar trademark VALMOX for related goods with the intention of misleading the public into believing that its goods bearing the trademark originated from, or are licensed or sponsored by Opposer. This is particularly in view of the high profile

enjoyed by the Opposer's trademark which has been identified in the pharmaceutical trade and by consumers as a source of high quality and reliable pharmaceutical preparations bearing the trademark VOLMAX.

- "5. The registration of the trademark VALMOX in the name of the Applicant is contrary to other provisions of the Intellectual Property Code.

To support the opposition, Opposer relied on the following facts:

- "1. Opposer is the manufacturer of wide variety of pharmaceutical products in Class 5, including pharmaceutical preparations and substances for the prevention, treatment and/or alleviation of respiratory disorders. Applicant has adopted and used the trademark VALMOX for the goods amoxicillin drugs in Class 5. Opposer has been using the trademark VOLMAX in commerce in the Philippines for medicinal products since July 1991 and long before the appropriation and use of VALMOX by the Applicant.
- "2. Opposer is the owner of the trademark VOLMAX, which it has registered in the Philippines under Registration no. 446532, issued September 27, 1989 for goods in Class 5. Opposer has also used and registered or applied for the registration of the trademark VOLMAX for medicinal products in more than 116 countries [see Appendix 1].
- "3. Opposer's trademark VOLMAX is an internationally well-known trademark and is protected against appropriation and use by other parties without Opposer's consent.
- "4. Opposer's trademark VOLMAX does not appear in the English Dictionary and does not allude to any word commonly used in the English language. Furthermore, VOLMAX is not descriptive of the goods for which it is registered. VOLMAX, is therefore an invented word when used on goods in Class 5 and is entitled to broad legal protection against unauthorized users like the Applicant who has appropriated it for identical and/or related class of goods.
- "5. Opposer is the first used of the trademark VOLMAX. Applicant appropriated the confusingly similar trademark VALMOX for the purpose of misleading the public into believing that its goods originated from, or are licensed or sponsored by Opposer.
- "6. Applicant has misrepresented that it is the first user of the trademark VALMOX which it derived from Opposer's trademark VOLMAX.
- "7. Applicant's infringing use of the trademark VALMOX for its goods, which mark rightfully belongs to Opposer, is not lawful use of the trademark in commerce, and cannot be the basis for trademark ownership.
- "8. 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, for the following reasons:
- i) The trademark are identical and/or confusingly similar;
 - ii) The trademark are applied on identical/related goods;
 - iii) The parties are engaged in competitive business; and

- iv) The goods on which the trademarks are used are bought by the same class of purchasers and flow through the same channels of trade.

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

- "9. The registration and use of confusingly similar trademark by Applicant will diminish the distinctiveness and dilute the goodwill of Opposer's trademark VOLMAX.

On July 9, 2004 Respondent-Applicant through counsel filed its Answer denying all the material allegations in the Notice of Opposition and further alleged the following as its Affirmative and Special Defenses:

- "4. While it is true that both products of the parties are pharmaceuticals, Respondent-Applicant's products is ANTIBACTERIAL with the active ingredients of AMOXICILLIN TRIHYDRATE for the treatment of infections of the respiratory tract and soft tissues and other infections due to susceptible gram-positive and gram-negative pathogens as indicated packaging of the said product, Xerox copy hereto attached as Annex "A"; on the other hand, Opposer's product is for the buying public will arise, nor the public be deceived or mislead into believing that Respondent-Applicant's product bearing the questioned trademarks originated from or are licensed by Opposer.
- "5. Even both products presentation and packaging will preclude the possibility of bringing about confusion in the minds of the buying public; the product of Respondent-Applicant is in suspension and capsule form while that of Opposer is in tablet form as shown in VALMOX packaging, hereto attached as Annexes "B", "C" and "D".
- "6. Even the respective carton packaging of the parties differs greatly obviating any confusion in the minds of the buying public with respect to their products; the color of the carton packaging of Respondent-Applicant is a combination of green and yellow while that of Opposer is of different color.
- "7. A visual comparison of the two products with respect to presentation and packaging will unequivocally show that the feared resulting confusion in the minds of the buying public is unfounded and more imagined than real.
- "8. No confusion will ensue on the two subject trademarks; not only is Respondent-Applicant's applied trademark is VALMOX as against Opposer's VENTOLIN VOLMAX; more importantly, Opposer's VOLMAX is combined with the word VENTOLIN which clearly set apart the two trademarks; the buying public will not be confused or be deceived or mislead in believing that the product of Respondent-Applicant emanates from or under the sponsorship of Opposer.
- "9. As early as March 3, 1989 which was even prior to VOLMAX registration on September 27, 1989, Respondent-Applicant has been using the trademark VALMOV as shown in the Certificate of Product Registration DR-XY8317 dated March 3, 1989, issued by the Bureau of Food and Drugs (BFAD) for VALMOX POWDER FOR ORAL SUSPENSION; thus, said prior militates against the claim of Opposer that Respondent-Applicant is trading in the goodwill of Opposer and that the latter purposely adopted said trademark to ride on the alleged goodwill of the former, photocopy of the Certificate hereto attached as Annex "E".

- “10. Bureau of Food and Drugs (BFAD) had issued Certificate of Product Registration for VALMOX (suspension and capsule) since 1989, photocopies of said certificates hereto attached as Annexes “F”, “G”, “H”, “I”, “J”, “K”, “L” and “M” respectively.
- “11. At all times Respondent-Applicant had acted in good faith in using and applying for the questioned trademark, more so, since it has been using the said trademark as early as 1989 while Opposer registered it only on September 27, 1989.
- “12. Clearly, there is no legal and factual basis to deny the registration of Respondent-Applicant’s trademark VALMOX and the opposition is entirely baseless and unfounded.
- “13. VALMOX has been marketed for over a decade already and earned the patronage of the public, doctors, hospitals and clinics and to deny the registration of said trademark will result to pecuniary damage to Respondent-Applicant and damage to its reputation and goodwill.

During the Pre-Trial Conference, the parties were encouraged to discuss the possibility of settling the case amicably, however, the result is negative.

Due to the failure of the parties to reach an amicable settlement and that the case is mandatorily covered by the Summary Rules per Section 11 (pertaining to “Effect on pending cases) of Office Order No. 79 to the parties.

Upon compliance of the parties, this Office carefully study the allegations of the parties and consider the evidences submitted.

The ultimate issue to be resolved in this instant opposition case is:

WHETHER OR NOT APPLICANT’S MARK “VALMOX” IS CONFUSINGLY SIMILAR WITH OPPOSER’S MARK “VOLMAX”.

The applicable provision of law is Section 123 (d) of Republic Act No. 8293 which provides:

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

(d) Is identical with 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 mark as to be likely to deceive or cause confusion.

The trademark of the Opposer “VOLMAX” for pharmaceutical preparations and substances for the prevention, treatment and/or alleviation of respiratory disorders under Class 5 of the International Classification of Goods has been registered with the Bureau of Patents, Trademarks and Technology Transfer (BPTTT) now the Intellectual Property Office (IPO)/ Intellectual Property Philippines (IPP) under Registration No. 46532 on September 27, 1989 for a term of twenty (20) years based on home registration under Section 37 of Republic Act No. 166, as amended as Exh. “B”.

On the other hand, Respondent-Applicant's mark "VALMOX" bearing Serial No. 4-1999-006520 on September 1, 1999 the subject of the instant opposition is being used on "AMOXICILLIN" (drug) under Class 5 of the International Classification of Goods.

Records will show that the Respondent-Applicant has filed the Declaration of Actual Use (DAU) on August 30, 2002.

In the labels as actually used on the goods submitted by the Respondent-Applicant, it contains:

"CAUTION:

Foods, Drugs, Devices and Cosmetics Act prohibits dispensing without prescription."

A practical approach to the problem of similarity or dissimilarity is to go into the whole of the two trademarks pictured in their manner of display. Inspection should be undertaken from the viewpoint of prospective buyer. The trademark complained of should be compared and contrasted with the purchaser's memory (*not in juxtaposition*) of the trademark said to be infringed. (87 C.J.S., pp. 288-291) Some such factors as sound, appearance, form, style, shape, size or format; color; ideas connoted by the marks; the meaning, spelling, and pronunciation of words used; and the setting in which the words appear may be considered, (87 C.J.S., pp. 291-292). For indeed, trademark infringement is a form of unfair competition (*Clarks vs. Manila Candy Co.*, 36 Phil. 100, 106; *Co Tiong Sa vs. Director of Patents*, 95 Phil. 1, 4).

Confusion is likely between trademarks only if their over-all presentation in any of the particulars of sounds, appearance or meaning are such as would lead the purchasing public into believing that the products to which the marks are applied emanated from the same source.

Considering the two trademarks in question:



Respondent-Applicant

VOLMAX

Opposer

It appearing that all the letters of both marks are the same, the only difference between the two marks is the reverse position of the vowels "O" and "A" in Respondent's mark relative to Opposer's mark. This is an insignificant difference that does not preclude the likelihood of consumer confusion as to the origin of the goods bearing the applicant's trademark especially considering the fact that Opposer's VOLMAX is being used for pharmaceutical preparations for the prevention, treatment and/or alleviation of respiratory disorders. Whereas Respondent-Applicant's VALMOX is being used likewise on pharmaceutical preparations, an antibacterial with active ingredients of amoxicillin trihydrate for the treatment of infections of the respiratory tracts, gastrointestinal tract soft tissues and other infections, which products are clearly related to Opposer.

The Supreme Court in *Converse Rubber Corporation vs. Universal Rubber Products, Inc.*, (147 SCRA 155) and *Del Monte Corporation et. al. vs. Court of Appeals et. al.* (G.R. 78325, January 25, 1990) ruled that:

"the person who infringe a trade mark does not normally copy out but only makes colorable changes, employing enough points of similarity to confuse the public with enough points of differences to confuse the courts."

Attention must likewise be given to the observations of the Supreme Court in *American Wire and Cable Company vs. Director of Patents*, 31 SCRA 544 that:

“x x x The similarity between the competing trademarks, “DURAFLEX” and “DYNAFLEX” is apparent not only are the initial letters and the last half of the appellations identical but the difference exist in only two out of the eight literal elements of the designations. Coupled with the fact that both marks cover insulated flexible wires under Class 20 x x x no difficulty is experienced in reaching the conclusion that there is a deceptive similarity that would lead the purchaser to confuse one product with another.”

In another case, the Supreme Court uniformly ruled that the trademark “LIONPAS” for medicated plaster cannot be registered because it is confusingly similar to “SALONPAS”, a registered mark also for medicated plaster. The Honorable Court Stated:

“Although two letters of “SALONPAS” are missing in “LIONPAS”, nevertheless, when the two words are pronounced, the sound effects are confusingly similar. When the goods are advertised over the radio, similarity in sound is of special significance. Similarity of sound is a sufficient ground for holding that the two marks are confusingly similar when applied to merchandise of the same descriptive properties. (*Marvex Commercial Co., Inc., vs. Petro Hawpia & Co., L-19297, December 22, 1966 SCRA 1178*).”

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 those of all others in entering the twilight zone of a field already appropriated by another. (*Weco Products Co., vs. US Milton Ray Co., 143 F. 2d 985, 31 C.C.P.A. Patents 1214*)

“Why with all the million of terms and combinations of letters and designs available, the appellee had to choose those so closely similar to another’s mark if there was no intent to take advantage of the goodwill generated by the other mark (*American Wire and Cable Co., vs. Director of Patents, 31 SCRA 544*).”

One point to be considered in this particular case is the fact that the goods/products covered by the competing marks are medicines falling under the same Class 5 of the International Classification of goods.

WHEREFORE, the Notice of Opposition is hereby SUSTAINED. Accordingly, application bearing Serial No. 4-1999-006520 for the mark “VALMOX” filed on September 1, 1999 by IAE Pharmaceutical Corporation is hereby REJECTED.

Let the filewrapper subject matter of the above-captioned case be forwarded to the Administrative, Financial and Human Resource Development Services Bureau (AFHRDSB) for appropriate action in accordance with this DECISION with a copy thereof furnished the Bureau of Trademarks (BOT) for information and update of its record.

SO ORDERED.

Makati City, 30 March 2006.

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