

GLAXO GROUP LTD.	}	IPC No. 14-2009-00114
Opposer,	}	Case Filed on: 14 April 2009
	}	
-versus-	}	Opposition to:
	}	App. Ser. No. 4-2008-006240
R. MERKE DRUG INC.	}	Date Filed: 28 May 2008
Respondent-Applicant.	}	TM: "ZENCEF"
	}	
	}	Decision No. 2009-112
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DECISION

Before us is a Verified Notice of Opposition filed against the application for registration of the mark "ZENCEF" used for medicines for the treatment of bone and joint infections, bronchitis, gonorrhea, meningitis, otitis media, peritonitis, pharyngitis, sinusitis, skin disorders, surgical infection and urinary tract infection under Class 05 of the international classification of goods bearing Application Serial No. 4-2008-006240 which was published in the Intellectual Property Office Electronic Gazette on 19 December 2008.

Opposer, GLAXO GROUP LIMITED, is a corporation organized and existing under the laws of United Kingdom with business address at Berkeley Avenue, Greenford Middlesex, England. Respondent-Applicant, R-MERKE DRUG, INC., is a domestic corporation with address at Blk. 13 Lot 30 Sunflower Street, Bloomfields Subd., Brgy. Pasong Putik, Novaliches, Quezon City.

Accordingly, the grounds for opposition are as follows:

"1. The trademark ZENCEF nearly resembles Opposer' ZINACEF trademark, registered in the Philippines under Registration No. 42001009316 issued on 18 January 2004, as to be likely to deceive or cause confusion.

1.1 The trademark ZENCEF nearly resembles Opposer's ZINACEF trademark in terms of pronunciation, spelling, and over-all impression as to cause confusion.

1.1.1. ZENCEF has almost the same prefix as ZINACEF. Phonetically, "ZEN" is not distinguishable from "ZIN"; the two prefixes when pronounced sound almost exactly the same.

1.1.2. ZENCEF and ZINACEF share the same suffix "CEF".

1.1.3. As a result of their similar prefixes and suffixes, the two trademarks have confusingly similar pronunciation. The "A" in ZINACEF does not render the trademark significantly different in sound as ZENCEF considering that the accent is placed in the first syllables of both trademarks. Thus, when uttered briskly, ZENCEF sounds very much like ZINACEF.

1.1.4. The two trademarks are also spelled almost exactly the same, the only differences being the letter "A" in ZINACEF which is missing in ZENCEF and the vowels and their respective prefixes.

1.1.5. Nevertheless, ZENCEF viewed as a whole is not very different or distinctive from ZINACEF.

1.1.6. Evidently, the resemblance and similarities between Opposer's trademark ZINACEF and the subject trademark ZENCEF are such that they are likely to deceive or cause confusion to the public.

1.2. Opposer's trademark ZINACEF was registered with this Honorable Office in respect of "pharmaceutical preparations and substances, namely, antibiotics and antibacterial preparations and substances" in class 05 on 18 January 2004, or more than four (4) years before Respondent-Applicant filed the subject Trademark Application No. 42008005240 for ZENCEF in respect of "medicines for the treatment of bone and joint infections, bronchitis, gonorrhea, meningitis, otitis media, peritonitis, pharyngitis, sinusitis, skin disorders, surgical infection and urinary tract infection" also in class 05 on May 28, 2008.

2. As stated above, the trademark ZENCEF designates anti-infection medicines in class 05 in the same way that Opposer's ZINACEF trademark designates antibiotics and anti-bacterial preparations in the same class of goods. In other words, the parties' respective pharmaceutical goods are used for the same purposes and necessarily flow in the same trade channels.

3. Due to the confusing similarity between the ZENCEF trademark and the ZINACEF trademark as well as the similarity of the goods that they respectively designate, the use by Respondent-Applicant to ZENCEF will likely mislead the public into believing that Respondent-Applicant's goods originated from Opposer, or conversely, that Opposer's goods came from Respondent-Applicant.

3.1. Respondent-Applicant's use of the trademark ZENCEF will tend to falsely and misleadingly suggest a connection between Respondent-Applicant and its goods, on one hand, and Opposer and Opposer's goods bearing the trademark ZINACEF, on the other hand.

3.2. Such confusion is precisely what the law seeks to prevent. Hence, under 123(d) (i) of the Code, the trademark ZENCEF cannot be registered.

4. It is apparent that Respondent-Applicant's use and attempted registration of the trademark ZENCEF is done in bad faith, with manifest intent to ride on the popularity and goodwill of the trademark ZINACEF.

4.1. ZINACEF has been known to the Philippine public as early as March 1982 for the antibiotic products that Opposer has since been selling, distributing and promoting.

4.2. Out of the multitude of words and symbols from which Respondent-Applicant could have chosen to use as a trademark for its anti-infection medicines, it purposely used ZENCEF which is obviously an approximation of Opposer's ZINACEF knowing that ZINACEF has been in the market for sometime for similar goods.

5. The confusion that will result from the Respondent-Applicant's use of ZENCEF despite the prior presence and registration of ZINACEF will very likely benefit Respondent-Applicant but will certainly prejudice Opposer, the owner of the registered mark ZINACEF.

6. Considering the foregoing, the interests of the Opposer, as the owner of the registered trademark ZINACEF and as well recognized leader in the pharmaceutical industry, will be damaged and prejudiced by the continued use and adoption by Respondent-Applicant of the trademark ZENCEF."

Opposer relied on the following facts to support its opposition:

"1. Opposer is the owner and registrant of the trademark ZINACEF respectively designate, the use by Respondent-Applicant of ZENCEF will likely mislead the public into believing that Respondent-Applicant's goods originated from Opposer, or conversely, that Opposer's goods came from Respondent-Applicant.

3.1. Respondent-Applicant's use of the trademark ZENCEF will tend to falsely and misleadingly suggest a connection between Respondent-Applicant and its goods, on one hand, and Opposer and Opposer's goods bearing the trademark ZINACEF, on the other hand.

3.2. Such confusion is precisely what the law seeks to prevent. Hence, under 123(d) (i) of the Code, the trademark ZENCEF cannot be registered.

4. It is apparent that Respondent-Applicant's use and attempted registration of the trademark ZENCEF is done in bad faith, with manifest intent to ride on the popularity and goodwill of the trademark ZINACEF.

4.1. ZINACEF has been known to the Philippine public as early as March 1982 for the antibiotic products that Opposer has since been selling, distributing and promoting.

4.2. Out of the multitude of words and symbols from which Respondent-Applicant could have chosen to use as a trademark for its anti-infection medicines, it purposely used ZENCEF which is obviously an approximation of Opposer's ZINACEF knowing that ZINACEF has been in the market for sometime for similar goods.

5. The confusion that will result from the Respondent-Applicant's use of ZENCEF despite the prior presence and registration of ZINACEF will very likely benefit Respondent-Applicant but will certainly prejudice Opposer, the owner of the registered mark ZINACEF.

6. Considering the foregoing, the interests of the Opposer, as the owner of the registered trademark ZINACEF and as a well recognized leader in the pharmaceutical industry, will be damaged and prejudiced by the continued use and adoption by Respondent-Applicant of the trademark ZENCEF."

Opposer relied on the following facts to support its opposition:

"1. Opposer is the owner and registrant of the trademark ZINACEF covered by Registration No. 42001009316 issued on 18 January 2004 and valid until 18 January 2014. The registration covers "pharmaceutical preparations and substances, namely, antibiotics and antibacterial preparations and substances" in class 05.

2. Opposer has registered and/or applied for registration of the trademark ZINACEF all over the world.

3. The Opposer invests heavily in promoting the trademark ZINACEF worldwide, earning the trademark an international reputation in the pharmaceutical industry.

4. The products for which the trademark ZINACEF is used are sold in various drugstores all over the country. The trademark is well-known in the local market, having been present since March 1982.

5. Sales of the ZINACEF product in the Philippines for the last three (3) years are as follows:

2006	over PhP 260, 000, 000
2007	over PhP 250, 000, 000
2008	over PhP 200, 000, 000

Worldwide sales figures for ZINACEF for the same period are as follows:

2006	over £ 76, 000
2007	over £ 66, 000
2008	over £ 45, 000

Opposer attached various documents as evidence in support of the opposition, to wit:

Exhibits	Description
"A"	Legalized Affidavit of Joanne Green with annexes
"A-1"	Certified true copy of Certificate of Registration No. 4-2001-009316 of the mark ZINACEF issued

	on 18 January 2004
"A-2"	List of countries where the mark ZINACEF has been registered and/or applied for registration
"A-3" to "A-7"	Certified copy of Certificate of Registration for the mark ZINACEF issued in Singapore, Hong Kong, china, United Kingdom and U.S.A.
"A-8" to "A-9" inclusive of sub-markings	Samples of promotional material of Opposer's product bearing the mark ZINACEF

On 24 April 2009, a Notice to Answer was issued by this bureau and the same was served personally on May 15, 2009 to Respondent-Applicant's address. However, despite of having received the notice, Respondent-Applicant failed to file its Answer. On 22 September 2009 this Bureau issued an Order waiving Respondent-Applicant's right to file its Answer as well as the supporting documents and submitted this case for decision.

The sole issue to be resolved in this case is: WHETHER OR NOT RESPONDENT-APPLICANT'S MARK "ZENCEF" IS CONFUSINGLY SIMILAR TO OPPOSER'S MARK "ZINACEF".

At the outset, it bear stressing that Opposer is the registered owner of the mark ZINACEF pursuant to Certificate of Registration No. 4-2001-009316 issued by the Intellectual Property Office on 18 January 2004. Being the holder of a certificate of registration, the law grants him exclusive right to use the same in connection with the goods or services specified in the certificate and those that are related thereto. Consequently, without Opposer's consent, no person can use its trademark much more apply for a registration of an identical or similar mark.

In relation thereto, the IP Code provides for instances when a mark cannot be registered. In determining whether a mark can be registered on the ground of confusing similarity, Section 123.1 (d) of Republic Act No. 8293, as amended, is applicable, and it provides:

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

x 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;"

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. Whether or not a trademark causes confusion and 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; and that duplication or imitation is not necessary, a similarity of the dominant features of the trademark would be sufficient. The test of dominancy is now explicitly incorporated into law in Section 155.1 of the Intellectual Property Code, which defines infringement as the “colorable imitation of a registered mark . . . or a dominant feature thereof.”

To determine whether Respondent-Applicant’s mark is confusingly similar to Opposer’s mark, the parties’ marks are shown below for purposes of comparison:

Opposer’s Mark	Respondent-Applicant’s Mark
	

Without a doubt, by applying the dominancy test, this Bureau concurs with Opposer that the mark ZENCEF so resembles the trademark ZINACEF, that it will likely cause confusion, mistake or deception on the part of the purchasing public. By comparing the above marks, this Bureau concurs with the observation of Opposer that the contending marks are similar in the following points: (1) ZENCEF has almost the same prefix as ZINACEF. Phonologically, “ZEN” is not distinguishable from “ZIN”; the two prefixes when pronounced sound almost exactly the same; (2) ZENCEF and ZINACEF share the same suffix “CEF” and (3) The two trademarks are also spelled almost exactly the same, the only differences being the letter “A” in ZINACEF which is missing in ZENCEF and the vowels and their respective prefixes. However, their differences pale into insignificance because of their similarity in sound and their indistinguishable appearance. In one American case, 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. Analogously, confusion cannot also be avoided by the merely changing one of the letters of a registered mark and adding another letter, as in this case. 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.

Moreover, it has been consistently held that the question of infringement of n 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. Duplication or imitation is not necessary, nor is it necessary that the infringing label should suggest an effort to imitate. The question at issue in cases of 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. In fact, even their similarity in sound is taken into consideration, where the marks refer to merchandise of the same descriptive properties, for the reason that trade idem sonans constitutes a violation of trade marks patents.

In the case of MARVEX COMMERCIAL CO. INC. vs. PETRA HAWPIA & CO., and THE DIRECTOR OF PATENTS, the Supreme Court held in this wise:

“Two letters of “SALONPAS” are missing in “LIONPAS”: the first letter a and the letter s. Be that as it may, when the two words are pronounced, the sound effects are confusingly similar. And where goods are advertised over the radio, similarity in sound is of special significance (Co Tiong Sa vs. Director of Patents, 95 Phil. 1, citing Nims, The Law of Unfair Competition and Trademarks, 4th ed., Vol. 2, pp. 678-679). “The importance of this rule is emphasized by the increase of radio advertising in which we are deprived of the help of our eyes and must depend entirely on the ear.” (Operators, Inc. vs. Director of Patents, supra.).

The following random list of confusingly similar sounds in the matter of trademarks, culled from Nims, Unfair Competition and Trade Marks, 1947, Vol. 1, will reinforce our view that “SALONPAS” and “LIONPAS” are confusingly similar in sound: “Gold Dust” and “Gold Drop”; “Jantzen” and “Jass-Sea”; “Silver Flash” and “Supper Flash”; “Cascarete” and “Celborite”; “Celluloid” and “Cellonite”; “Chartreuse” and “Charseurs”; “Cutex” and “Cuticlean”; “Hebe” and “Meje”; “Kotex” and “Femetex”; “Zuso” and “Hoo Hoo”. Leon Amdur, in his book “Trade-Mark Law and Practice”, pp. 419-421, cites, as coming within the purview of the idem sonans rule, “Yusea” and “U-C-A”, “Steinway Pianos” and “Steinberg Pianos”, and “Seven-Up” and “Lemon-Up”. In Co Tiong vs. Director of Patents, this Court unequivocally said that “Celdura” and “Cordura” are confusingly similar in sound; this Court held in Sapolin Co. vs. Balmaceda, 67 Phil. 795 that the name “Lusolin” is an infringement of the trademark “Sapolin”, as the sound of the two names is almost the same.

In the case at bar, “SALONPAS” and “LIONPAS”, when spoken, sound very much alike. Similarity of sound is sufficient ground for this Court to rule that the two marks are confusingly similar when applied to merchandise of the same descriptive properties (see Celanese Corporation of America vs. E.I. Du Pont, 154 F. 2d. 146, 146).”

Indeed, when applying the legal ratiocination enunciated by the Supreme Court in the above-cited case to the case at bar, this Bureau is in accord with Opposer’s asseveration

that when the parties' marks are pronounced, they sound the same that we cannot distinguish one from the other. As pointed out by Opposer, as a result of their similar prefixes and suffixes, the two trademarks have confusingly similar pronunciations. The "A" in ZINACEF does not render the trademark significantly different in sound as ZENCEF considering that the accent is placed in the first syllables of both trademarks. Thus, when uttered briskly, ZENCEF sounds very much like ZINACEF. Given that, Respondent-Applicant's mark is undeniably confusingly similar in sound to Opposer's registered mark, its registration should be barred. In addition, both marks are used on anti-bacterial medicines under Class 5 and sold through the same trade channels, that is, in drugstores. Thus, the likelihood of confusion or mistake on the part of the public is inevitable or expected.

WHEREFORE, premises considered, the Notice of Verified Opposition filed by Opposer, GLAXO GROUP LIMITED against Respondent-Applicant R-MERKE's application for registration of the mark ZENCEF is, as it is hereby SUSTAINED. Consequently, the trademark application for the mark "ZENCEF" bearing Serial No. 4-2008-006240 filed on 28 May 2008 by Respondent-Applicant for medicines for the treatment of bone and joint infections, bronchitis, gonorrhoea, meningitis, otitis media, peritonitis, pharyngitis, sinusitis, skin disorders, surgical infection and urinary tract infection under Class 05 of the international classification of goods is, as it is hereby, REJECTED.

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

SO ORDERED.

Makati City, 23 September 2009.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs