

Republic of the Philippines  
SUPREME COURT  
Manila

EN BANC

G.R. No. L-19297     December 22, 1966

MARVEX COMMERCIAL CO., INC., petitioner,

vs.

PETRA HAWPIA and CO., and THE DIRECTOR OF PATENTS, respondents.  
*Sta. Ana and Lasam for petitioner.*

*A.S. Donato for respondent Petra Hawpia and Co.*  
*Office of the Solicitor General for respondent Director of Patents.*

CASTRO, J.:

Petra Hawpia & Co., a partnership duly organized under the laws of the Philippines and doing business at 543 M. de Santos (Botica Divisoria), Manila (hereinafter referred to as the applicant), on October 14, 1958 filed a petition for the registration of the trademark "LIONPAS" used on medicated plaster, with the Philippine Patent Office, asserting its continuous use in the Philippines since June 9, 1958.<sup>1</sup> The Marvex Commercial Co., Inc., a corporation also duly organized under the laws of the Philippines (hereinafter referred to as the oppositor), on July 24, 1959 filed an opposition thereto, alleging that the registration of such trademark would violate its right to and interest in the trademark "SALONPAS" used on another medicated plaster, which is registered in its name under Certificate of Registration 5486, issued by the Director of Patents on September 29, 1956, and that both trademarks when used on medicated plaster would mislead the public as they are confusingly similar.

After due hearing, the Director of Patents in his decision of August 18, 1961 dismissed the opposition and gave due course to the petition, stating in part that "confusion, mistake, or deception among the purchasers will not likely and reasonably occur" when both trademarks are applied to medicated plaster. The oppositor moved to have the decision reconsidered. This motion was denied in a resolution of November 27, 1961. The oppositor then interposed the present appeal.

The issues stated by the Director of Patents in his decision are the same ones now tendered by the oppositor for resolution, namely, (1) Is the applicant the owner of the trademark "LIONPAS"?; (2) Should the application be rejected on the ground that the applicant made false representations in placing the phrase "Reg. Phil. Pat. Off." below the trademark "LIONPAS" on its cartons?, and (3) Is the trademark "LIONPAS" confusingly similar to the trademark "SALONPAS"?

We do not consider the second issue of any importance; we will thus proceed to resolve the first and third issues.

Is the applicant the owner of the trademark "LIONPAS"?

Under sections 2 and 2-A of the Trade Mark Law, as amended, the right to register trademarks, tradenames and service marks by any person, corporation, partnership or association domiciled in the Philippines or in any foreign country, is based on ownership, and the burden is upon the applicant to prove such ownership (*Operators, Inc. vs. The Director of Patents, et al.*, L-17901, Oct. 29, 1965).

The Director of Patents found, on the strength of exhibits 5 and 6 for the applicant, that the latter has "satisfactorily shown" its ownership of the trademark sought to be registered. Exhibit 5 is a letter dated June 20, 1958, sent by "OSAKA BOEKI KAISHA, LTD." to the applicant which tends to show that the former, for a \$1 consideration, has assigned, ceded, and conveyed all its "rights, interests and goodwill in the tradename LIONPAS Medicated Plaster . . ." in favor of the latter. Exhibit 6 is a joint "SWORN STATEMENT" which appears to have been executed by the presidents of "OSAKA BOEKI KAISHA, LTD." and "ASUNARO PHARMACEUTICAL INDUSTRY CO.", and tends to confirm the contents of exhibit 5.

A careful scrutiny of exh. 5 will reveal, however, that the sender of the letter, "OSAKA BOEKI KAISHA LTD.", and which appears to be the seller, is merely a representative of the manufacturer "ASUNARO PHARMACEUTICAL INDUSTRY CO." There is no proof that as such representative, the former has been authorized by the latter to sell the trademark in question. Moreover, exh. 5 on its face appears to have been signed only by someone whose position in the company's "Sundries Dept." is not described; the signature is not legible. It is even contradicted by exh. 6. While exh. 5 shows that "OSAKA BOEKI KAISHA, LTD." is a representative of "ASUNARO PHARMACEUTICAL INDUSTRY CO."; exh. 6 asserts that the former is not a representative of the latter, but that it is the owner of the trademark "LIONPAS" (par. 2, exh. 6). At all events, neither averment can be accorded the weight of an assignment of ownership of the trademark in question under the Trade Mark Law. Exh. 5 is not acknowledged. Exh. 6 does not bear the acknowledgment contemplated by the aforesaid law, particularly by the last paragraph of section 37 and paragraph 2 of section 31 of R.A. 166, as amended, which provide as follows:

The registration of a mark under the provisions of this section shall be independent of the registration in the country of origin and *the duration, validity or transfer in the Philippines of such registration shall be governed by the provisions of this Act.* (Sec. 37, last par.)  
(Emphasis ours)

The assignment must be in writing, acknowledged before a notary public or other officer authorized to administer oaths or perform other notarial acts and certified under the hand and official seal of the notary or other officer. (Sec. 31, par. 2)

In this case, although a sheet of paper is attached to exh. 6, on which is typewritten a certification that the signatures of the presidents of the two named companies (referring to the signatures in exh. 6) "have been duly written by themselves", this sheet is unmarked, unpagged, unsigned, undated and unsealed. We have thumbed the record in quest of any definitive evidence that it is a correct translation of the Japanese characters found on another unmarked and unpagged sheet, and have found none.

It follows from the above disquisition that exhs. 5 and 6 are legally insufficient to prove that the applicant is the owner of the trademark in question.

As a matter of fact, the other evidence on record conclusively belies the import of exh. 6. Thus exh. A states that the applicant is merely the "exclusive distributor" in the Philippines of the "LIONPAS" penetrative plaster; exh. A-1 describes the applicant as the "Philippine sole distributor" of "LIONPAS"; exh. B simply states that "LIONPAS" is "manufactured exclusively for Petra Hawpia & Co. for distribution in the Philippines."

Not being the owner of the trademark "LIONPAS" but being merely an importer and/or distributor of the said penetrative plaster, the applicant is not entitled under the law to register it in its name (Operators, Inc. vs. Director of Patents, *supra*).

Upon the third issue, the applicant preliminarily asserts that there is no justification for this Court to disturb any finding made by the Director of Patents on appeal. This assertion is not tenable. Although the Director of Patents is the official vested by law with the power to administer the registration of trademarks and tradenames, his opinion on the matter of similarity or dissimilarity

of trademarks and tradenames is not conclusive upon this Court which may pass upon such determination.

The "SALONPAS" mark is not before this Court. Our meticulous examination of the entire record has failed to yield a sample of such mark. We have therefore proceeded to analyze the two marks, vis-a-vis each other, on the basis of what we can derive from the record for a comparative study. And our conclusion, in disagreement with that of the Director of Patents, is not based on a comparison of the appearance, form, style, shape, size or format of the trademarks, which we cannot make because, as we have already observed, the "SALONPAS" mark is not before us, but on a comparison of the spelling, sound and pronunciation of the two words.

It is our considered view that the trademarks "SALONPAS" and "LIONPAS" are confusingly similar in sound.

Both these words have the same suffix, "PAS", which is used to denote a plaster that adheres to the body with curative powers. "Pas, being merely descriptive, furnishes no indication of the origin of the article and therefore is open for appropriation by anyone (*Ethepa vs. Director of Patents*, L-20635, March 31, 1966) and may properly become the subject of a trademark by combination with another word or phrase.

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 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 "Jazz-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 "TradeMark 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, 148).

The registration of "LIONPAS" cannot therefore be given due course.

ACCORDINGLY, the decision of the respondent Director of Patents is set aside, and the petition below of the respondent Petra Hawpia & Co. is hereby dismissed, at the cost of the latter respondent.

*Concepcion, C.J., Reyes, J.B.L., Dizon, Regala, Makalintal, Bengzon, J.P., Zaldivar and Sanchez, JJ., concur.*

#### FOOTNOTES:

<sup>1</sup> Sec. 2 of the Trade Mark Law requires actual use in the Philippines of not less than two months before application may be filed.