NOVARTIS AG	}	IPC No. 14-2002-00023
Opposer	}	Opposition to:
	}	Serial No. : 105536
	}	Date Filed : January 29, 1996
-versus-	}	Trademark : "SPORIDEX"
	}	
	}	
RANBAXY LABORATORIES LTD.,	}	
Respondent-Applicant,	}	Decision No. 2006-35

x----------x

DECISION

Before us is an Opposition filed against the application filed on January 29, 1996 bearing serial no. 105536 for the registration of the mark "SPORIDEX" used for "anti-infective for respiratory tract infections including pneumonia and otitis media, skin and soft tissue infections including burn and wound infections, urinary tract infections, bone and joint infections, septicaemia" under Class 5 of the international classification of goods which was published on page 26, Vol IV, No. 15 issue of the Official Gazette, and officially released for circulation on May 22, 2002.

Opposer, NOVARTIS AG, is a corporation duly organized and existing under the laws of Switzerland, having a principal place of business at 4002 Basel, Switzerland.

On the other hand, Respondent RANBAXY LABORATORIES LIMITED with address at No. 19 Nehru Place, New Dehli 110019-India, is the applicant for the mark SPORIDEX under Application No. 105536 filed on January 29, 1996.

The grounds for Opposition to the registration of the mark are as follows:

"1. The trademark SPORIDEX being applied for by Respondent-Applicant is confusingly similar to Opposer's trademark SPERSADEX, as to be likely, when applied to or used in connection with the goods of Respondent-Applicant, to cause confusion, mistake and deception on the part of the purchasing public.

"2. The registration of the trademark SPORIDEX in the name of the Respondent-Applicant will violate Section 123.1 subparagraph (d) of Republic Act 8293, otherwise known as the Intellectual Property Code of the Philippines and section 6bis and other provisions of the Paris Convention for The Protection of the Industrial Property to which the Philippines and Switzerland are parties.

"3. The registration and use by Respondent-Applicant of the trademark SPORIDEX will diminish the distinctiveness and dilute the goodwill of Opposer's trademark SPORIDEX.

"4. The registration of the trademark SPORIDEX in the name of Respondent-Applicant is contrary to other provisions of Respondent-Applicant is contrary to other provisions of the Intellectual Property Code of the Philippines.

In support of this opposition, Opposer will prove and rely upon the following facts among others:

"1. Opposer is the owner of and/or registrant in and/or applicant in many trademark registrations of the trademark SPERSADEX around the world under class 5 (equivalent to local Class 10 more particularly for opthalmological specialties.

"2. In the Philippines, Opposer is the owner/registrant of its foregoing trademark SPERSADEX, as follows:

Trademark	:	SPERSADEX
Registrant	:	Novartis AG
Cert. Of Reg. No.	:	37535
Date Issued	:	June 25, 1987

"3. By virtue of Opposer's registration of the trademark SPERSADEX in the Philippines and its prior registration and ownership of this trademark around the world, said trademark has therefore become distinctive of Opposer's goods and business.

"4. The registration and use of the trademark SPORIDEX by the Respondent-applicant for use on similar goods, i.e. for "anti-infective for respiratory tract infections including pneumonia and otitis media, skin and soft tissue infections including burn and wound infections, urinary tract infections, bone and joint infections, septicaemia" under international class 5, will deceive and/or confuse purchasers into believing that Respondent-Applicant's goods and/r products bearing trademark SPORIDEX emanate form or under the sponsorship of Opposer. Respondent-Applicant obviously intends to trade and is trading on Opposer's mark.

"5. The registration and use of the trademark SPORIDEX by Respondent-Applicant will diminish the distinctiveness and dilute the goodwill of Opposer's mark.

"6. It is evident that the adoption of the trademark SPORIDEX by Respondent-Applicant was not made in goods faith but rather, there is apparently an intent by Respondent-Applicant to "ride on" the goodwill established and "pass off" respondent-applicant's goods as those of Opposer.

"7. The allowance of application Serial No. 105536 in the name of Respondent-Applicant will be violative of the treaty obligations of the Philippines under the Paris Convention for the Protection of Industrial Property, of which the Philippines and Switzerland are member-states.

Immediately, a Notice to Answer the Verified Notice of Opposition dated May 24, 2005 was sent to the herein Respondent-Applicant. However, for failure the required Answer to the Verified Notice of Opposition despite notice thereof, Respondent-Applicant was declared in DEFAULT per Order No. 2003-461 dated November 24, 2003.

Pursuant to Order of Default, Opposer presented its evidence ex-parte consisting of Exhibits "A" to "E" inclusive of submarkings.

Records further show that some of the communications issued by this Office and in the Notice of Verified Opposition filed by the Opposer on June 19, 2002 as well as in other pleadings filed by the Opposer, the Respondent-Applicant appears to be in the name of TEJERA Y. OLIVARES instead of RANBAXY LABORATORIES LIMITED.

On April 18, 2005 as per Minutes of Hearing, upon motion of the Opposer, the name of the Respondent-Applicant was changed from Tejera Y. Olivares to Ranbaxy Laboratories Limited.

Furthermore, upon verification from the IPO Official Gazette released on May 22, 2002, it appears on page 26, Vol. IV, No. 15 thereof that the Respondent-Applicant is not TEJERA Y.

OLIVARES but RANBAXY LABORATORIES LIMITED as it also appears in the filewrapper of the trademark SPORIDEX.

In view thereof, the subsequent communications issued by this Office designated RANBAXYL LABORATORIES LIMITED as the proper Respondent-Applicant.

Todate, however, no motion or any pleading relative thereto has been filed by Respondent-Applicant.

THE MAIN ISSUE TO BE RESOLVED IN THIS CASE IS WHETHER THE RESPONDETN-APPLICANT'S APPLICATION FOR REGISTRATION OF THE MARK "SPORIDEX" SHOULD BE DENIED.

Since the challenged application was filed on June 11, 1996 or during the effectivity of the Old Trademark Law (R.A. 166, as amended) the instant case shall be decided based on the provisions thereof so as not to prejudice the rights vested by said law upon the parties herein. Thus, the applicable provision of law in resolving the issue involved is Section 4 (d) of R.A. No. 166, as amended which provides:

> "Sec. 4. Registration of trademarks, tradenames, and service marks on the principal register. There is hereby established a register of trademarks, tradenames and service marks which shall be known as the principal register.
>
> The owner of the trademark, tradename, or service mark used to distinguish his goods, business or services from the goods, business or services of others shall have the right to register the same on the principal register, unless it:
>
> x x x
>
> (d) Consists of or comprises a mark or tradename which so resembles a mark or tradename registered in the Philippines or a mark of tradename previously used in the Philippines by another and not abandoned, as t be likely, when applied to or used in connection with the goods, business or services of the applicant, to cause confusion or mistake or to deceive purchasers."

The test of confusing similarity which would preclude the registration of a trademark is not whether the challenged mark would actually cause confusion or deception of the purchasers but whether the use of such mark would likely cause confusion or mistake on the part of the buying public. In short, the law does not require that the competing marks must be so identical as to produce actual error or mistake. It would be sufficient, for purposes of the law that the similarity between the two labels be such that there is a possibility or likelihood of the purchaser of the older brand mistaking the newer brand for it. (Acoje Mining Co., Inc. vs. director of Patents, 38 SCRA 480).

A comparison between the two marks would show the differences. The two words do not sound alike- when pronounced. By mere pronouncing of the marks, it could hardly be said that it will provoke confusion, as to mistake one for the other. Both marks have different prefixes, "SPER" for Opposer and "SPO" for Respondent-Applicant. In SPORIDEX the pronunciation of the prefix "SPO" whether correct or incorrect, includes a combination of three S, p and o; whereas in SPERSADEX the prefix starts with a combination of four letters "s", "p", "e" and "r". The second syllable of both marks are also different, "SA" for Opposer and "RI" for Respondent-Applicant added to the suffix "DEX". Appeals to the ear are dissimilar. And this, because in a word-combination, the part that comes first is the most pronounced.

More importantly, the non-existence of confusingly similarity on the trademark of both parties is further compounded on the fact that the goods or products covered by Respondent-

Applicant's trademark differs from those of the Opposer's as they belong to an entirely different class. Respondent-Applicant's "anti-infective for respiratory tract infections including pneumonia and otitis media, skin and soft tissue infections including burn and wound infections, urinary tract infections, bone and joint infections, septicaemia" belong to Class 5 while Opposer's goods: Opthalmological specialties belong to Class 10, hence, there is no factual basis to hold that Respondent-Applicant's trademark is confusingly similar with Opposer's trademark.

In the case of PHIL. REFINING CO., INC. VS. NG SAM *(115 SCRA 472)*, the Supreme Court stated:

> "The right to a trademark is limited one, in the sense that others may use the same mark on unrelated goods. The mere fact that one person has adopted and used a trademark on his goods does not prevent the adoption and use of the same trademark by others on articles of a different description."

This was reiterated in the case of FABERGE, INC. VS. IAC *(215 SCRA 316)*:

> "One who has adopted and used a trademark on his goods does not prevent the adoption and use of the same trademark by others for products which are of a different description. xxx The certificate of registration issued by the Director of Patents can confer upon the Petitioner the exclusive right to use its own symbol only on those goods specified in the certificate, subject to any condition and limitation stated therein."

Finally, in the case of CANON KABUSHIKI KAISHA VS. CA *(G.R. NO. 120900, 20 JULY 2000),* the Supreme Court again ruled that the certificate of registration confers upon the trademark owner the exclusive right to use its own symbol only to those goods specified in the certificate.

Lastly, to bolster the instant Opposition, Opposer claims its mark is well-known. We disagree.

Opposer's mark is not well-known in the context of the Paris Convention. As we have stated earlier the goods of the Opposer and that of the Respondent-Applicant are neither the same, identical, similar nor related goods, a requisite element under the Trademarks law and the Paris Convention. Hence, the marks of the Opposer cannot be considered well-known within the contemplation and protection of the Paris Convention.

WHEREFORE, in view of the foregoing, the Notice of Opposition filed by the Opposer is, as it is hereby DENIED.

Considering however, that as shown by the records, Respondent-Applicant despite due notice failed to file its Answer to the Notice of Opposition nor did it even file any motion to lift the Order of Default since November 23, 2003 up to the present, which is indicative of Respondent-Applicant's lack of concern in protecting its mark which is contrary to the provision of Sec. 3 (d) Rule 131 of the Rules of Court that "a person takes ordinary care of the concern" and the pronounced 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". xxx (Pagase Industrial Corp. vs. Court of Appeals, L-54158, 118 SCRA 526,533-534, 1982.

Moreover, the Supreme Court in the case of Del Bros Hotel Corporation vs. Intermediate Appellate Court, 159 SCRA 533, 543, has held that:

> "Fundamentally, default orders are taken on the legal presumption that in falling to file an Answer, the defendant does not oppose the allegations and relief demanded in the complaint."

Consequently, Application Serial No. 105536 for the mark “SPORIDEX” used for “anti-infective for respiratory tract infections including pneumonia and otitis media, skin and soft tissue infections including burn and wound infections, urinary tract infections, bone and joint infections, septicaemia” under Class 5 filed on January 29, 1996 by Respondent-Applicant, RANBAXY LABORATORIES LIMITED is hereby considered ABANDONED by herein Respondent-Applicant.

Let the filewrapper of SPORIDEX subject matter of this 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 furnished the Bureau of Trademarks (BOT) for information and to update its record.

SO ORDERED.

Makati City, May 24, 2006.

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