

NOVARTIS AG,	}	IPC NO. 14-2001-00014
	}	Opposition to:
Opposer,	}	Serial No. 121782
	}	Date Filed: 08-18-97
-versus-	}	
	}	
TEJERA Y OLIVARES, S.A.,	}	Trademark: "ARPON"
	}	
Respondent-Applicant.	}	Decision No. 2002-45
x-----x		

D E C I S I O N

This pertains to an opposition filed by NOVARTIS AG, a corporation organized and existing under the laws of Switzerland, with business address at 4002 Basel, Switzerland, to the above-captioned trademark application for the registration of the trademark "ARPON" used on Fungicides, microbicides parasiticides and in general, preparation for destroying vermin & plants filed by TEJERA Y OLIVARES S.A., a corporation organized and existing under the laws of Spain, with business address at Apartado no. 4 CAMAS 41900 Sevilla, Spain.

The Unverified Notice of Opposition was filed by the Opposer on 20 June 2001 while the Verified Notice of Opposition was filed on 31 June 2001. The grounds for opposition are as follows:

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

"2. The registration of the trademark ARPON in the name of the Respondent-Applicant will violate Sec. 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 Industrial Property to which the Philippines and Switzerland are parties.

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

"4. The registration and use of the trademark ARPON by the Respondent-Applicant for use on similar goods, i.e., for insecticides, fungicides, microbicides, parasiticides and in general, preparation for destroying vermin and plants" under International Class 1, will deceive and/or confuse purchasers into believing that Respondent-Applicant's goods and/or products bearing the trademark ARPON emanate from or are under the sponsorship of Opposer. Respondent-Applicant obviously intends to trade and is trading on Opposer's goodwill.

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

"6. The registration and use of the trademark ARPON by Respondent-Applicant was not made in good 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. 121782 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.

The Notice to Answer, dated 03 August 2001, was served upon and received by counsel for Respondent-Applicant. For failure of the Applicant to file the required Answer, Applicant was declared in default by this Office as per Order No. 2002-85 and the Opposer was allowed to present its evidence ex-parte.

Admitted as evidence for the Opposer are Exhibits “A” to “YY”, inclusive of submarkings, consisting of: (a) verified Notice of Opposition dated 12 July 2001; (b) legalized Affidavit-Testimony of Valerie Kempf dated 18 April 2002; (c) invoices of Novartis Agro Phils., Inc dated 13 April 1999; (d) invoices of Syngenta Phils., Inc dated 09 March 2002, 17 February 2002 and 11 February 2002; (e) copy of sales report showing quantity and value sales of products with trademark APRON from 1989 to 1996; (f) copy of the product registration certificate for APRON 35 SD issued by the Fertilizer and Pesticides Authority of the Philippines on 08 July 1981; (g) copy of Philippine Trademark Application No. 109762 for the trademark APRON, filed on 15 July 1996 by Ciba Geigy AG, predecessor-in-interest of the Opposer; (h) copy of the Certificate of Registration of the trademark APRON issued by the Office of Harmonization in the Internal Market (OHIM); (i) copy of the Certificate of Registration of the trademark APRON issued by the World Intellectual Property Office (WIPO); and (j) copies of Certificates of Registration issued by the pertinent agencies in Africa, Argentina, Bolivia, Brazil, Bulgaria, Canada, China, Colombia, Costa Rica, Denmark, Dominican Republic, Ecuador, Georgia, Greece, Guatemala, India, Ireland, Israel, Latvia, Mali, Mexico, Nigeria, Norway, Romania, Russia, South Africa, Switzerland, Taiwan, Thailand, United Kingdom, Uruguay, U.S.A. and Venezuela.

The issues to be resolved in this particular case are:

- (a) whether or not there exists a confusing similarity between the Opposer’s trademark APRON and Respondent-Applicant’s trademark ARPON; and
- (b) who between the Opposer and the Respondent-Applicant is the prior user entitled to protection under the Trademark Law.

Considering that the Application subject of the instant opposition was filed under the old Trademark Law (R.A. 166, as amended), this Office shall resolve the case under said law so as not to adversely affect rights already acquired prior to the effectivity of the new Intellectual Property Code (R.A. 8293).

The applicable provision of the Trademark Law, Section 4(d) provides:

*Sec. 4. Registration of trademarks, trade-names and service-marks on the principal register. - xxx The owner of a trademark, trade-name or service-mark used to distinguish his goods, business or services from the goods, business or service of others shall have a right to register the same on the Principal Register, unless it:*

x x x

(d) Consists of or comprises a mark or trade-name which so resembles a mark or trade-name registered in the Philippines or a mark or trade-name previously used in the Philippines by another and not abandoned, as to be likely, when applied to or in connection with the goods, business or

service of the applicant, to cause confusion or mistake or to deceive purchasers.”

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 trademarks must be so identical as to produce actual error or mistake. It would be sufficient that the similarity between the two trademarks is such that there is a possibility or likelihood of the older brand mistaking the newer brand for it.

In the case of *Etepha vs. Director of Patents* (16 SCRA 502), the Supreme Court stated that:

“The essential element of infringement is colorable imitation. This term has been defined as “such a close or ingenious imitation as to be calculated to deceive ordinary purchasers, or such resemblance of the infringing mark to the original as to deceive an ordinary purchaser giving such attention as a purchaser usually gives, and to cause him to purchase the one, supposing it to be the other.”

The Supreme Court, in determining whether or not there is confusing similarity between trademarks, has relied on the dominancy test or the assessment of the essential or dominant features in the competing trademarks. Even the spelling and the similarity in sounds and pronunciation are taken into consideration. Thus, in the case of *Co Tiong Sa vs. Director of Patents* (95 Phil 1) the application for the registration of the trademark “FREEDOM” was rejected due to the existing registration of the mark “FREEMAN” over the same class of goods.

In the case of *Marvex Commercial Co. vs. Hawpia & Co.* (18 SCRA 1178), the Supreme Court found that:

“The tradename ‘LIONPAS’ for medicated plaster cannot be registered because it is confusingly similar to ‘SALONPAS’, a registered trademark also for medicated plaster. xxx Although the 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. xxx”

In the case of *American Wire and Cable Co. vs. Director of Patents* (31 SCRA 544), the Supreme Court observed that:

“xxx The similarity between the two competing trademarks, DURAFLEX and DYNAFLEX is apparent. Not only are the initial letters and the last half of appellations identical but the difference exists 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; xxx no difficulty is experienced in reaching the conclusion that there is a deceptive similarity that would lead the purchaser to confuse one product with the other.”

In the instant case, the only difference between the two trademarks is in the placement of the letters “P” and “R”. While “P” and “R” are the second and third letters respectively in Opposer’s mark APRON, the placement of these letters have been interchanged such that “R” is the second letter and “P” is the third letter in Respondent-Applicant’s mark ARPON. All the other letters are the same such that when the two words are pronounced, the sound effects are confusingly similar. At first glance, the two word marks even appear to be exactly the same, which can mislead a customer who merely gives the products a cursory glance.

Both trademarks also cover similar goods, i.e., chemical products for agricultural use. As such, both products flow through the same channels of trade, therefore, confusion between the two trademarks is likely to result in the minds of the prospective buyers.

The purpose of the law in protecting a trademark cannot be over-emphasized. They are to point out distinctly the origin or ownership of the article to which it is affixed, to secure to him, who has been instrumental in bringing into a market a superior article of merchandise, the fruit of his industry and skill, and to prevent fraud and imposition (*Etepha vs. Director of Patents, ibid.*). Today, the trademark is not only a symbol of origin and goodwill --- it is often the most effective agent for the actual creation and protection of goodwill. In other words, the mark actually sells the goods. The mark has become the "silent salesman". It has become a more convincing selling point than even the quality of the articles to which it refers. (*Mirpuri vs. Court of Appeals, 318 SCRA 516*)

Evidence on record shows that as early as 08 July 1981, the Opposer's predecessor-in-interest, Ciba-Geigy (Phils.), Inc., was granted Pesticide Registration by the Fertilizer and Pesticide Authority for the pesticide with the trademark APRON 35 SD (Metalaxyl). Ciba-Geigy AG, likewise, applied for the registration of the trademark APRON with the Bureau of Patents and Technology Transfer on 15 July 1996. Syngenta Participations AG, successor-in-interest of Opposer in respect of the agro-chemical and seed trademarks, has been using the trademark APRON in the Philippines since 1989. Said trademark has also been registered by Ciba-Geigy GA, by the Opposer and by Syngenta Participations AG in several countries around the world such as Africa, Argentina, Bolivia, Brazil, Bulgaria, Canada, China, Colombia, Costa Rica, Denmark, Dominican Republic, Ecuador, Georgia, Greece, Guatemala, India, Ireland, Israel, Latvia, Mali, Mexico, Nigeria, Norway, Romania, Russia, South Africa, Switzerland, Taiwan, Thailand, United Kingdom, Uruguay, U.S.A. and Venezuela. Opposer and Syngenta Participations AG even obtained certificates of international registration for said trademark from the Office for Harmonization in the Internal Market (OHIM) on 07 August 1998 and from the World Intellectual Property Office (WIPO) on 16 February 2001. On the other hand, no evidence was presented pertaining to the first use of the trademark ARPON in the Philippines. Thus, it is clear from the foregoing that between the Opposer and the Respondent-Applicant, the former has sufficiently proven that it is the prior user of the trademark APRON and is therefore entitled to protection from infringement thereof.

WHEREFORE, premises considered, the Notice of Opposition is hereby SUSTAINED. Consequently, the application bearing Serial No. 121782 for the mark "ARPON" filed in the name of TEJERA Y OLIVARES, S.A., on 18 June 1997 is hereby REJECTED.

Let the filewrapper of the trademark "ARPON" subject matter of this case be forwarded to the Administrative, Financial and Human Resource Development Service Bureau (AFHRDSB) for appropriate action in accordance with this Decision and a copy hereof be furnished to the Bureau of Trademarks (BOT) for information and update of its records.

SO ORDERED.

Makati City, 27 December 2002.

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