

“8. Opposer likewise has extensively promoted the mark AFAXIN in the Philippines and has thus obtained significant exposure for its goods upon which the mark AFAXIN is used.

“9. Opposer has not consented to the Respondent-Applicant’s use and registration of the mark AXALIN, or any other mark identical or similar to its AFAXIN mark for that matter.

9.1 That the Respondent-Applicant adopted the mark AXALIN for its products also in Class 05 an attempt to trade unfairly on the goodwill, reputation and awareness of the Opposer’s AFAXIN mark that was originally registered by Philippine Patent Office on April 5, 1949 and last renewed on June 12, 1987.

“10. The Respondent-Applicant’s mark AXALIN is confusingly similar to the Opposer’s mark and is applied for the same class of goods as that of the Opposer’s registration, which would be likely to deceive or cause confusion as to the origin of the goods.

10.1. In determining if two trademarks are confusingly similar, it is sufficient if one is a colourable imitation of the other. Colourable imitation means such a close or ingenious imitation as to be calculated to deceive ordinary persons, or such a resemblance to the original as to deceive ordinary purchaser giving such attention as a purchaser usually gives, and to cause to purchase the one supposing it to be the other. Colourable imitation does not mean identity. It does not require that all the details be copied literally. It means such similarity in form, content, words, sound, meaning, special arrangement or general appearance of the trademark with that of another trademark in their overall presentation or in their essential, substantive and distinctive parts as would likely mislead or confuse the purchaser in the ordinary course of purchasing the genuine article.

10.2 Respondent-Applicant’s mark resembles the Opposer’s AFAXIN mark in terms of spelling, pronunciation and appearance as to be likely to deceive or cause confusion. Hence, the registration of said mark violates Section 123.1 (d) of the Intellectual Property Code.

10.3 The two marks are confusingly similar based on the following factors:

10.3.1 Both AXALIN and AFAXIN are word marks.

10.3.2 Both marks are composed of six (6) letters.

10.3.3 Of the six (6) letters, only the second and the fourth letters differ.

10.3.4 A cursory glance at both marks makes it appear as through the marks are exactly the same and may cause confusion.

10.3.5 Both AXALIN and AFAXIN are pharmaceutical products under the same class of goods.

- “11. By the Respondent-Applicant’s use of the mark AXALIN on the goods covered by the application No. 4-2007-500578, the Respondent-Applicant seeks to take advantage of the reputation and goodwill that the Opposer has established through the years, resulting in the diminution of the value of the trademark AFAXIN.
- “12. Of all the combination of letters to create a trademark, particularly for a pharmaceutical product as in this case, Respondent-Applicant chose a combination or mark very similar to Opposer’s trademark. Evidently, the Respondent-Applicant’s mark may cause confusion in the minds of the consumers by usurping the mark AFAXIN, a mark legally owned by the Opposer, and passing off the Respondent-applicant’s own products as those made by the Opposer.
- “13. The denial of Application No. 4-2007-500578 for the mark AXALIN by this Honorable Office is authorized under other provisions of the Intellectual Property Code.

The Opposer submitted the following in support of its opposition:

Annex	Description
Annex “A”	Original Verified Notice of Opposition.
Annex “B”	Notarized and Legalized Special Power of Attorney executed by Mr. JOHN M. SPINNATO.
Annex “C”	Affidavit of Mr. John M. Spinnato.
Annex “D”	Affidavit of Ms. Ginalyn L. Verzano
Annex “E”	Affidavit of Mr. Eduardo Tadeo Jover

On November 28, 2008, Respondent-Applicant filed its Verified Answer denying all the material allegations of the Verified Notice of Opposition and further alleged the following as its special and affirmative defenses:

- “6. Respondent-Applicant adopts and incorporates by way of reference all the material, pertinent and relevant allegations contained in the preceding paragraphs;
- “7. Opposer has no legal cause of action against the Respondent-Applicant as will be discussed below;
- “8. Opposer’s mark “AFAXIN” is not confusingly similar with the Respondent-applicant’s “AXALIN”. The marks present glaring dissimilarities in terms of their overall appearance, impression and pronunciation from the point of view of the concerned or target market for “*vitamin A preparation for the prevention and treatment of deficiencies of growth-promoting and anti-ophthalmic vitamin A*” vis-à-vis “*pharmaceutical preparations for the treatment of cardiovascular diseases*”.
- “9. The goods covered are pharmaceutical preparations or substances where the purchasers are more wary of the nature of the goods they are buying. Medicines are generally dispensed and sold upon presentation of doctor’s prescription. While the doctor does not go to the drugstore to buy a particular medicine, he practically dictates what medicine to buy through his medical prescription. And the doctor is knowledgeable of, and well acquainted with, the medicine he prescribes for the patient. The likelihood of confusion as to the medicine bought that may arise from the use thereon of similar marks is thus remote. For as has been said in a case, the person who actually buys the medicine “reads” the doctor’s

prescription; he known what he is to buy. He is not incautious, unwary, unobservant or unsuspecting type; he examines the product sold to him; he checks to find out whether it conforms to the medical prescription. The common trade channel is the pharmacy or the drugstore. Similarly, the pharmacist or druggist verifies the medicine sold. The margin of error in the acquisition of one for the other is quite remote. And while there is a possibility that a buyer might be able to buy medicine without a doctor's prescription, when this happens, then the buyer must be one thoroughly familiar with what he intends to get, else, he would not have the temerity to ask for a medicine specifically needed to cure a given ailment. In which case, the more improbable its will be to palm off one for the other. For a person who purchases with open eyes is hardly the man to be deceived;

- “10. Indeed in our jurisdiction, since the dissimilarities far outweigh the similarities of the mark, the following trademarks have been held not confusingly similar; “PERTUSSIN” and “ATUSSIN” both for the treatment of cough, “BIOFERIN” and “BUFFERIN” both for veterinary medicines used for the same purpose, and “ALASKA” for milk and “ALACTA” for powdered half-skim milk;
- “12. Moreover, no less than the Intellectual Property Office through the Bureau of Trademarks affirmed the registrability of the Respondent-Applicant’s mark “AXALIN” when the subject application was allowed after it had undergone merit examination.

The Respondent-Applicant submitted the following in support of its trademark application being opposed.

Exhibit	Description
Exhibit “1”	Authenticated and Legalized Affidavit of Mr. Simon Richard.
Exhibit “2”	Legalized Special Power of Attorney.

The contending trademarks are reproduced below for comparison and scrutiny.

AFAXIN	AXALIN
Opposer’s mark	Respondent-Applicant’s mark

The issue to be resolved is:

WHETHER OR NOT THE RESPONDENT-APPLICANT’S MARK “AXALIN” IS CONFUSINGLY SIMILAR TO THE OPPOSER’S MARK “AFAXIN”.

The applicable provision of the law is Section 123.1 (g) and (h) of Republic Act No. 8293, which provides:

Sec. 123. Registrability – 123.1. a mark cannot be registered if it:

x

x

x

- “(d) Is identical with a registered mark belonging to a different proprietor or 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;”

It is observed that the contending marks are both composed of three (3) syllables each and six (6) letters. Out of the six (6) letters, they differ only in one letter. The Opposer’s mark contains the letter “F” while the Respondent-Applicant’s mark contains the letter “L”.

In totally, the competing trademarks are almost the same or identical to each other. They have both the same five (5) letters except one (1) letter.

In the case “Chuanchow Soy & Canning Co., vs. Director of Patents and Rosario Villapania (G.R. No. L-13947, June 30, 1960)” the Supreme Court stated:

“When one applies for the registration of a trademark or label which is almost the same or very closely resembles one already used and registered by another, the application should be rejected and dismissed outright, even without any opposition on the part of the owner and user of a previously registered label or trademark, this not only to avoid confusion on the part of the public, but also to protect an already used and registered trademark and an established goodwill. There should be no halfway measures as when an examiner of the Office of the Director of Patents (now the Bureau of Trademarks) directs an applicant to amend or modify the label or trademark he sought to register by eliminating some portions thereof.”

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 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, idea connoted by the mark; the *meaning, spelling* and *pronunciation* of the 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 (Clark vs. Manila Candy Co., 36 Phil. 100, 106; Co Tiong Sa vs. Director of Patents, 85 Phil. 1, 4).

As pointed out previously, the two contending trademarks are almost the same or identical in *spelling*. The six (6) letters composing the marks, five (5) letters are exactly the same, they differ only in one letter.

Etepha A.G. vs. Director of Patents and Westmont Pharmaceuticals, Inc., [G.R. No. L-20635, March 31, 1966] the Supreme Court ruled:

“The objects of a trademark are “to point out distinctly the origin or ownership of the articles to which it is affixed, to secure to him who has been instrumental in bringing into market a superior article or

merchandise the fruit of his industry and skill, and to prevent fraud and imposition.”

The validity of a cause for infringement is predicated upon colorable imitation. The phrase “colorable imitation” denotes such a “close or ingenious imitation to be calculated to deceive ordinary persons, or such a resemblance 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.” (87 C.J.S. p. 287)

In another case the Supreme Court ruled:

“In determining if two trademarks are confusingly similar, it is sufficient if one is a colorable imitation of the other. Colorable imitation does not mean such similitude as amounts to identity. Nor does it require that all the details be literally copied. Colorable imitation refers to such similarity in form, content, words, sound, meaning, *special arrangement*, or *general appearance* of the trademark or tradename with that of the other mark or tradename in their over-all presentation or in their essential, substantive and distinctive parts as would likely mislead or confuse persons in the ordinary course of purchasing the genuine article.” (EMERALD GARMENT MFG. CORP. vs. COURT OF APPEALS, ET AL., 251 SCRA 600 (1996))

Another factor to be taken into consideration is the product bearing the contending trademarks are related goods. They are pharmaceutical preparations belonging to Class 5 of the International Classification of goods. where the product on which the junior user employed the similar mark is within the zone of potential or natural and logical operation of the senior user of the mark, the junior user should be enjoined from using the similar mark because to hold otherwise is to forestall the normal potential expansion of business of the senior user or preclude him from using the similar mark on such goods. Besides, two marks may be confusingly similar even if they are used on non-competing goods if confusion as to the source or origin may arise.

It is likewise worthy to note that the Opposer’s mark “AFAXIN” was originally registered with the Philippine Patent Office (PPO) on *April 15, 1949*, a period of more than sixty (60) years up to present, and said party is continuously using the same in the Philippines and in numerous other countries.

Considering therefore that Opposer’s mark has been registered and has been continuously used for more than sixty (60) years, approval of the Respondent-Applicant’s trademark application is in violation of Section 123.1 (d) of Republic Act No. 8293 and Section 38 thereof.

WHEREFORE, with all the foregoing, the opposition is, as it is hereby SUSTAINED. Consequently, Trademark Application No. 4-2007-500578 for the mark “AXALIN” filed on August 27, 2007 by ASTRAZENECA A.B. is, as it is hereby REJECTED.

Let the filewrapper of “AXALIN” subject matter of this case together with a copy of this DECISION be forwarded to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Makati City, 16 April 2009.

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