

THERAPHARMA, INC., <i>Opposer,</i>	}	Inter Partes Case No. 14-2008-00124 Case Filed: 10 June 208
	}	
	}	Opposition to:
	}	
-versus-	}	Appln. Ser. No.: 4-2007-013532
	}	Date Filed : 8 December 2007
	}	Trademark : "AMVAC"
	}	
AMVAC AG, <i>Respondent-Applicant.</i>	}	Decision No. 2009-67

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## DECISION

This concerns the VERIFIED NOTICE OF OPPOSITION filed by Opposer Therapharma, Inc. seeking to deny the application for registration of Respondent-Applicant Amvac AG's mark "AMVAC" bearing Application Serial No. 4-2007-013532 filed on 8 December 2007 by the latter covering goods under: (i) Class 05 consisting of pharmaceutical and veterinary preparations such as chemical, biochemical, molecular biological and biological preparations for medical and hygienic purposes, medicines, vaccines, disinfectants, contraceptives, plasters, materials for dressings, sanitary preparations for medical purposes namely sanitary napkins and tampons and dietetic substances adapted for medical use, (ii) Class 10 namely surgical and medical apparatus and instruments, contraceptives and accessories therefore included in this class, (iii) Class 42 composed of scientific and technological services research specifically the field of chemical, biochemical, molecular biological and biological preparations for medical and hygienic purposes, medicines, vaccines, and contraceptives, and (iv) Class 44 consisting of medical and veterinary services, hygienic and beauty care for human beings or animals. This Opposition was published on page two (2) of the IPO E-Gazette and officially released on 11 April 2008.

The Opposer in this case, "THERAPHARMA, INC.", is a corporation duly organized and existing under the laws of the Philippines with principal office located at the 3<sup>rd</sup> Floor, Buenaventura Plaza, Ortigas Avenue, Greenhills, San Juan City whereas the Respondent-Applicant, Amvac AG, is a foreign corporation with principal office address at Metallstrasse 4, 6300 ZUG, Switzerland.

The grounds for this opposition are as follows:

1. Respondent-Applicant owned trademark "AMVAC" so resembles opposer's trademark "AMVASC" that was registered in this Honorable Office before the publication of the opposition to the mark "AMVAC". The trademark "AMVAC" will likely cause confusion and mistake in the community not to mention deceive the purchasing public especially that the opposed trademark "AMVAC" is also applied for in the same class of goods, Class (5), as that of the trademark "AMVASC".
2. The registration of the trademark "AMVAC" in the name of Respondent-Applicant will violate Section 123 of Republic Act No. 8293, otherwise known as the "Intellectual Property Code of the Philippines", which provides in part that a mark cannot be registered if it:

*(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; (Emphasis supplied)*

Under the aforementioned provision, any mark which is similar to a registered mark shall be denied registration in respect to similar goods or if the mark applied for closely resembles a registered mark so as to confuse or deceive the minds of purchasers.

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

#### ALLEGATIONS IN SUPPORT OF THE OPPOSITION

The following are allegations in support of the Opposition which the Opposer relied upon and proved:

4. Opposer, the registered owner of the trademark "AMVASC", is engaged in the marketing and sale of a wide range of pharmaceutical products. The Trademark Application for the trademark "AMVASC" was filed in the Intellectual Property Office on 16 January 2006 by Opposer and was approved for registration by this Honorable Office on 19 March 2007 and valid for a period of ten (10) years. Thus, Opposer's registration of the "AMVASC" trademark subsists and remains valid to date as proven by a copy of the Certificate of Registration Number 4-2006-000470.

5. The trademark "AMVASC" has been extensively used in commerce in the Philippines.

5.1. Opposer dutifully filed Affidavit of Use pursuant to the requirement of law, to maintain the registration of "AMVASC" in force and effect as proven by a copy of the Declaration of Actual Use filed by Opposer.

5.2. A sample of product label bearing the trademark "AMVASC" actually used in commerce.

5.3. No less than the Intercontinental Marketing Services (IMS) itself, the world's leading provider of business intelligence and strategic consulting services for the pharmaceutical and healthcare industries with operations in more than 100 countries, acknowledged and listed the brand "AMVASC" as the leading brand in the Philippines in the category of "calcium antagonists plain" in terms of market share and sales performance as shown by a copy of the certification and sales performance.

5.4. In order to legally market, distribute and sell these pharmaceutical preparations in the Philippines, we registered the products with the Bureau of Food and Drugs (BFAD) as evidenced by a copy of the Certificate of Product Registration issued by the BFAD for the mark "AMVASC".

6. There is no doubt that by virtue of the above-mentioned Certificate of Registration, the uninterrupted use of the trademark "AMVASC", and the fact that they are well-known among customers locally as well as to internationally known

pharmaceutical information providers, the Opposer has acquired an exclusive ownership over the “AMVASC” marks to the exclusion of others.

7. “AMVAC” is confusingly similar to “AMVASC”

7.1 There are no set rules that can be deduced in particularly ascertaining whether a trademark is confusingly similar to, or is a colorable imitation of, another. Nonetheless, jurisprudence provides enough guidelines and tests to determine the same.

7.1.1. In fact, in *Societe’ Des Produits Nestle, S.A. vs. Court of Appeals* [356 SCRA 207, 216] the Supreme Court, citing *Etepha vs. Director of Patents*, ruled “[i]n determining of colorable imitation exists, jurisprudence has developed two kinds of tests – the *Dominancy Test* and the *Holistic Test*. The test of dominancy focuses on the similarity of the prevalent features of the competing trademarks which might cause confusion or deception and thus constitute infringement. On the other side of the spectrum, the holistic test mandates that the entirety of the marks in question must be considered in determining confusing similarity.”

7.1.2. It is relevant at this point that in *Societe’ Des Produits Nestle, S.A. vs. Court of Appeals* [supra, p. 221,] the Supreme Court ruled “[T]he totality or holistic test only relies on visual comparison between two trademarks whereas the dominancy test relies not only on the visual but also on the aural and connotative comparisons and overall impressions between the two trademarks.

7.1.3. Relative thereto, the Supreme Court in *McDonald’s Corporation vs. L.C. Big Mak Burger, Inc.* [437 SCRA 10] held:

*This Court however, has relied on the dominancy test rather than the holistic test. The dominancy test considers the dominant features in the competing marks in determining whether they are confusingly similar. Under the dominancy test, courts give greater weight to the similarity of the appearance of the product arising from the adoption from the dominant features of the registered mark, disregarding minor differences. Courts will consider more the aural and visual impressions created by the marks in the public mind, giving little weight to factors like prices, quality, sales outlets and market segments.*

Hence, in the 1954 case of *Co Tiong Sa vs. Director of Patents*, the Court held:

... *It has been consistently held that the question of infringement of a 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. (G. Heilman Brewing Co. vs. Independent Brewing Co., 191 F., 489, 495, citing Eagle White Lead Co. vs. Pflugh (CC) 180 Fed. 579). 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. (Auburn Rubber Corporation vs. Honover Rubber Co., 107 F. 2d 588;...) (Emphasis supplied).*

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7.1.4. Applying the dominancy test, it can be readily concluded that the trademark “AMVAC”, owned by Respondent-applicant, so resembles the trademark, that it will likely cause confusion, mistake and deception on the part of the purchasing public.

7.1.4.1. Firstly, “AMVAC” sounds almost the same as “AMVASC”;

7.1.4.2. Secondly, all letters composing the mark “AMVAC” are contained in Opposer’s mark “AMVASC”;

7.1.4.3. Thirdly, both marks are composed of two (2) syllables;

7.1.5. Without a doubt, the Respondent-Applicant adopted the dominant features of the Opposer’s mark “AMVASC”;

7.1.6. As further held by the High Court in the McDonald’s case [p.33]

*In short, aurally, the two marks are the same, with the first word of both marks phonetically the same, and the second word of both marks also phonetically the same. Visually, the two marks have both two words and six letters, with the first word of both marks having the same letters and the second having the same first two letters. In spelling, considering the Filipino language, even the last letters of both marks are same.*

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*“The Court has taken into account the aural effects of the words and letters contained in the marks in determining the issue of confusing similarity.”*

7.2. The Opposer’s trademark “AMVASC” and Respondent-Applicant’s trademark “AMVAC” are practically identical marks in sound and appearance that they leave the same commercial impression upon the public.

7.2.1 Thus, the two marks can easily be confused with one another most especially considering that the opposed trademark "AMVAC" is applied for the same class and goods as that of trademarks "AMVASC", i.e. Class (5), to the Opposer's extreme damage and prejudice.

7.3. Yet, Respondent-Applicant still filed a trademark application for "AMVAC" despite its knowledge of the existing trademark registration of "AMVASC", which is confusingly similar thereto in both its sound and appearance.

8. Furthermore, Opposer's intellectual property right over its trademark is protected under Section 147 of Republic Act No. 8293, otherwise known as the Philippine Intellectual Property Code ("IP Code"), which states:

*"The owner of a registered mark shall have the exclusive right to prevent all parties not having the owner's consent from using in the course of trade identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion." [Emphasis supplied].*

9. To allow Respondent-Applicant to continue to market its products bearing the "AMVAC" mark undermines Opposer's rights to its marks. As the lawful owner of the mark "AMVASC", the Opposer is entitled to prevent Respondent-Applicant from using a confusingly similar mark that would likely mislead the public.

9.1. Being the lawful owner of "AMVASC", Opposer has the exclusive right to use and/or appropriate the said mark and prevent all third parties not having its consent from using in the course of trade identical or similar marks, where such would result in a likelihood of confusion.

9.2. By virtue of Opposer's ownership of the trademark "AMVASC", it also has the right to prevent third parties, such as Respondent-Applicant, from claiming ownership over Opposer's marks or any deception similar thereto, without its authority or consent.

9.3. Furthermore, following the illustrative list of confusingly similar sounds in trademarks which the Supreme Court cited in *McDonald's Corporation, McGeorge Food Industries, Inc. vs. L.C. Big Mak Burger, Inc.*, 437 SCRA 268 (2004), it is evidence that the mark "AMVAC" is aurally confusingly similar to Opposer's mark "AMVASC".

9.4. To allow Respondent-Applicant to use its "AMVAC" mark on its product would likely cause confusion or mistake in the mind of the public or deceive purchasers into believing the "AMVAC" products of Respondent-Applicant originate from or is being manufactured by Opposer, or at the very least, is connected or associated with the "AMVASC" products of Opposer, when such connection does not exist.

9.5. In any event, as between the newcomer, Respondent-Applicant which by the confusion loses nothing and gains patronage unjustly by the association of its products bearing the "AMVAC" mark with the well-known "AMVASC" mark, and the first user and actual owner of the well-known mark, Opposer, which by substantial investment of time and resources and by honest dealing has already achieved favor

with the public and already possesses goodwill, any doubt should be resolved against the newcomer, Respondent-Applicant, considering that the latter, as the later entrant in the market had a vast range of marks to choose from which would sufficiently distinguish its products from those existing in the market.

10. By virtue of Opposer's prior and continued use of the trademark "AMVASC", the same has become well-known and has established valuable goodwill to the consumers and the general public as well. The registration and use of Respondent-Applicant's confusingly similar trademark on its goods will enable the latter to obtain benefit from Opposer's reputation, goodwill and advertising and will tend to deceive and/or confuse the public into believing that Respondent-Applicant is in any way connected with the Opposer.

11. Similarly, the fact that Respondent-Applicant seeks to have its mark "AMVAC" registered in the same class (Nice Classification 5) as Opposer's trademark "AMVASC" will undoubtedly add to the likelihood of confusion among purchasers of these two goods.

12. Hence, Opposer's interests are likely to be damaged by the registration and use of Respondent-Applicant's trademark "AMVAC". In support of the foregoing, the instant petition is herein verified by Mr. Dumpit which likewise serves as his affidavit. (*Nasser vs. Court of Appeals*, 191 SCRA 783 [1990]).

On 10 June 2008, Opposer filed its Verified Opposition to the trademark "AMVAC".

On 24 June 2008, a Notice to Answer was sent to Respondent-Applicant through registered mail to file its Verified Answer within thirty (30) days from receipt thereof.

On 7 July 2008, Respondent-Applicant received the Notice to Answer dated 24 June 2008 and after receipt of the same, Respondent-Applicant filed a Motion for Extension of Time to File Verified Answer on 4 August 2008 citing that it being a foreign-based corporation, it would take time for it to prepare the necessary documents. In other words, it was asking for an extension until 5 September 2008. Such motion was granted on 11 August 2008.

On 27 August 2008, Respondent-Applicant filed another Motion for Extension this time asking until 5 October 2008 to file its Verified Answer. This was subsequently granted on 17 September 2008.

On 17 September 2008, Respondent-Applicant was able to submit its Verified Answer praying that the Verified Opposition dated 10 June 2008 be DISMISSED and Application Serial No. 4-2007-013532 be allowed and registered.

Records show that only counsel for Respondent-Applicant appeared at the Preliminary Conference scheduled last 7 January 2009 for the case at bar. As a result of this, the aforementioned conference was officially terminated on 12 January 2009 wherein this Bureau issued Order No. 2009-11, the dispositive portion reads to wit:

"WHEREFORE, the parties are hereby required to submit their respective position papers and if desired, draft decision within a non-extendible period of ten (10) days from receipt of this Order. After the lapse of the period, with or without the position papers, the case is submitted for decision."

Considering that only counsel for Respondent-Applicant appeared during the Preliminary Conference, Opposer is deemed to have waived its right to submit its position paper.

On 28 January 2009, Opposer filed a MOTION FOR RECONSIDERATION, MOTION TO STRIKE OFF RESPONDENT'S ANSWER and MOTION TO ADMIT POSITION PAPER AD CAUTELAM. Records of the case shows that this Bureau issued a Notice of Preliminary Conference scheduled on 07 January 2009 dated November 12, 2008 which was duly mailed/served through the IPO Box on 19 November 2008. Considering that opposer was duly informed of the Preliminary Conference, the aforementioned Motion is hereby DENIED for lack of merit.

The main issue presented for resolution to this Bureau is:

*Whether or not Respondent-Applicant's "AMVAC" mark is confusingly similar to Opposer's "AMVASC" mark in relation to the classification of goods and other relevant circumstances.*

Sec. 123.1 (d) and (e) of Republic Act No. 8293, as amended, provides:

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

*xxxx*

*(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;*

*(e) is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: Provided, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark"*

Similarity in appearance is one consideration in determining whether there is likelihood of confusion between marks. Marks may be confusingly similar in appearance notwithstanding the addition, deletion or substitution of letters or words. In the foreign case of Weiss Associates Inc. vs. HRL Associates, Inc. [902 F. 2d 1546, 14 USPQ2d 1840 (Fed. Cir. 1990)], TMM was held confusingly similar to TMS, both for computer software. Likewise, in the case of In re Lamson Oil Co. [6 USPQ2d 1041 (TTAB 1987)], TRUCOOL for synthetic coolant was held likely to be confused with TURCOOL for cutting oil. These foreign cases persuade us that indeed there is confusing similarity in the case at bar that involves Opposer's mark AMVAC and Respondent-Applicant's AMVASC.

In order to arrive at a just and fair conclusion as to whether the contending marks are confusingly similar, both are reproduced below for comparison and scrutiny.

# AMVAC

# Amvasc

Respondent-Applicant's Mark

Opposer's Mark

Pursuant to the aforementioned provision, the application for registration of the subject mark cannot be allowed. Opposer's mark "AMVASC" is confusingly similar to Respondent-Applicant's mark "AMVAC". Similarly, "is applied to goods that are closely related to Respondent-Applicant's goods under the following Classes to wit: (i) Class 05 consisting of pharmaceutical and veterinary preparations such as chemical, biochemical, molecular biological and biological preparations for medical and hygienic purposes, medicines, vaccines, disinfectants, contraceptives, plasters, materials for dressings, sanitary preparations for medical purposes namely sanitary napkins and tampons and dietetic substances adapted for medical use, (ii) Class 10 namely surgical and medical apparatus and instruments, contraceptives and accessories therefore included in this class, (iii) Class 42 composed of scientific and technological services research specifically the field of chemical, biochemical, molecular biological and biological preparations for medical and hygienic purposes, medicines, vaccines, and contraceptives, and (iv) Class 44 consisting of medical and veterinary services, hygienic and beauty care for human beings or animals.

In ascertaining whether one trademark is confusingly similar to or is a colorable imitation of another, jurisprudence has developed two kinds of tests to wit: the dominancy test and the holistic test.

In the case *Mighty Corporation vs. E.J. Gallo Winery* (G.R. No. 154342, July 14, 2004) the Supreme Court stated that:

The dominancy test focuses on the similarity of the prevalent features of the competing trademarks which might cause confusion or deception, and thus infringement. If the competing trademark contains the main, essential or dominant features of another, and confusion or 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 is whether the use of the marks involved is likely to cause confusion or mistake in the mind of the public or deceive purchasers.

It is observed that the dominant feature of the Opposer's marks "AMVASC" is exactly same with Respondent-Applicant's mark "AMVAC" (Emphasis supplied) in appearance despite the insertion of the letter "S" are also relatively phonetically similar and because they cover similar goods if not the same goods that flow through the same channel of trade. Co-existence of the two marks is not impossible and would likely cause confusion as to source or origin.

Respondent-Applicant is applying for the registration of the mark "AMVAC" to be used for pharmaceutical and veterinary preparations *inter alia* while Opposer's mark "AMVASC" was registered for the marketing and sale of a wide range of pharmaceutical products which are essentially the same kind of business as of Respondent-Applicant's.

Moreover, a careful reading of Opposer's and Respondent-Applicant's respective goods show that they are the same goods and it is clear that: 1) they serve the same or complementary purpose; and 2) it might be reasonably assumed that they originate from one manufacturer (*ESSO Standard Eastern, Inc. v. Court of Appeals, et al.*, G.R. No. L-29971, August 31, 1982).



Noteworthy is the fact that both are pharmaceutical-related companies seeking registration for exactly the same kind of goods, i.e. pharmaceuticals that the Opposer had already registered for.

In trademark registration cases, the certificate of registration is prima facie evidence of the validity of the registration, the registrant's ownership of the mark and the exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate (Levi Strauss & Co., vs. Clinton Apartelle, Inc., 470 SCRA 253-254 (2005)). As the records show, Opposer is the registrant of the mark "AMVAC" as evidenced by Certificate of Registration No. 4-2006-000470 issued on 19 March 2008 (Annex "F") issued by this Office. As such, Opposer as owner of the mark is entitled to protection.

Pursuant to the foregoing discussion, the application for registration of the subject mark cannot be allowed. Respondent-Applicant's "AMVAC" mark is confusingly similar to Opposer's registered marks "AMVASC" and is applied to goods that are the same, with the Opposer enjoying prior registration to wit: 19 March 2007 for the "AMVASC" trademark. To reiterate, Opposer had already registered the "AMVASC" mark which Respondent-Applicant's "AMVAC" mark nearly resembles as to likely deceive or cause confusion, and which are applied to goods that are the same.

WHEREFORE, the opposition is SUSTAINED. Consequently, Application bearing Serial No. 4-2007-013532 filed on 08 December 2007, for the registration of the mark "AMVAC" covering pharmaceutical-related goods *inter alia* is, as it is hereby, REJECTED.

Let the file-wrapper of the trademark "AMVAC" 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, 15 June 2009.

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