

THERAPHARMA, INC.,	}	Inter Partes Case No. 14-2008-00061
<i>Opposer,</i>	}	Case Filed : 25 March 2008
	}	Opposition to:
	}	
-vs-	}	Appln. Serial No. : 4-2007-012357
	}	Date Filed : 08 November 2007
	}	Trademark : "DAVASC"
GX INTERNATIONAL, INC.,	}	
<i>Respondent-Applicant</i>	}	
x-----x		Decision No. 2009-33

## DECISION

This is an opposition to the registration of the mark "DAVASC" bearing Application Serial No. 4-2007-012357 filed on 08 November 2007 covering the goods "*pharmaceutical products particularly antibiotics, oral hypoglycemic agent receptor antagonist, non-steroidal, anti-asthma, proton-pump inhibitor, analgesic/antipyretic, expectorant, mucolytic multi-vitamin and anti-thrombotic*" falling under class 5 of the International Classification of goods which trademark application was published for opposition in Intellectual Property Philippines (IPP) Electronic Gazette (E-Gazette), which was officially released for circulation on 25 January 2008.

The Opposer in the instant case is "THERAPHARMA, INC.", a corporation duly organized and existing under and by virtue of the laws of the Philippines with business address located at 3<sup>rd</sup> Floor, Bonaventure Plaza, Ortigas Avenue, Greenhills, San Juan City.

The Respondent-Applicant on the other hand is "GX INTERNATIONAL, INC.", a domestic corporation with principal address at Alabang Muntinlupa City.

The grounds of the opposition are as follows:

- "1. The trademark "DAVASC" so resembles "AMVASC" trademark owned by Opposer, registered with this Honorable Office prior to the publication for opposition of the mark "DAVASC". The trademark "DAVASC", which is owned by Respondent-Applicant, will likely cause confusion, mistake and deception on the part of the purchasing public, most especially considering that the opposed trademark "DAVASC" is applied for the same class of goods as that of trademark "AMVASC", i.e. Class (5).
  
- "2. The registration of the trademark "DAVASC" in the name of the Respondent-Applicant will violate Sec. 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 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 above-quoted provision, any mark which is similar to a registered mark shall be denied registration in respect of similar or related

goods or if the mark applied for nearly resembles a registered mark that confusion or deception in the mind of the purchasers will likely to result.

- “3. Respondent-Applicant’s use and registration of the trademark “DAVASC” will diminish the distinctiveness and dilute the goodwill of Opposer’s trademark “AMVASC”.

The Opposer relied on the following facts in support of its opposition:

- “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 with 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. Hence, Opposer’s registration of the “AMVASC” trademark subsists and remains valid to date. Attached is a copy of the Certificate of Registration No. 42006000470 and marked as Annex “B”.
- “5. The trademark “AMVASC” has been extensively used in commerce in the Philippines.
- 5.1 Opposer dutifully filed Affidavits of Use pursuant to the requirement of law, to maintain the registration of “AMVASC” in force and effect. A copy of the Declaration of Actual Use filed by Opposer is hereto attached as Annex “C”
- 5.2 A sample of product label bearing the trademark “AMVASC” actually used in commerce is hereto attached as Annex “D”
- 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 antagonist plain*” in terms of market share and sales performance. (Attached is a copy of the certification and sales performance marked as Annex “E”.)
- 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). A copy of the Certificate of Product Registration issued by the BFAD for the mark “AMVASC” is hereto attached as Annex “F”.
- “6. There is no doubt that by the virtue of the above-mentioned Certificate of Registration, the uninterrupted use of the trademark “AMVASC”, and the fact that they are well-known among consumers as well as to internationally known pharmaceutical information provider, the Opposer has acquired an exclusive ownership over the “AMVASC” marks to the exclusion of others.
- “7. “DAVASC” is confusingly similar to “AMVASC”.
- 7.1 There is no set of rules that can be deduced in particularly ascertaining whether one 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*, held “[i]n determining if colorable imitation exists, jurisprudence has developed two kinds of tests – 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 worthy to note at this point that in *Societe Des Produits Nestle, S.A. vs. Court of Appeals* [Supra, p. 221] the Supreme Court held “[T]he totality of holistic test relies on visual comparison between two trademarks whereas the dominancy test relies not only on the visual but also on the aural and connotative comparison and overall impressions between the two trademarks.”

7.1.3 Relative thereto, the Supreme Court in *Mc Donalds’ Corporation vs. L.C. Big Mak Burger, Inc.*, [147 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 of the dominant features of the 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 price, quality, sales outlets and market segments.”

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

“...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 take 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 public or deceive purchasers. (*Auburn*

Rubber Corporation vs. Honover Rubber Co., 107 F. 2d 588; ....) (Emphasis Supplied.)

xxx”

- 7.1.4 Applying the dominancy test, it can be readily conclude that the trademark “DAVASC”, owned by the Respondent-Applicant, so resembles the trademark “AMVASC”, that it will likely cause confusion, mistake and deception on the part of the purchasing public.
  - 7.1.4.1 First “DAVASC” sound almost the same as “AMVASC”
  - 7.1.4.2 Second, except for the letter “D”, all letters composing the mark “DAVASC” are contained in Opposer’s mark “AMVASC”;
  - 7.1.4.3 Third, both marks composed of two (2) syllables;
- 7.1.5 Clearly, the Respondent-Applicant adopted the dominant features of the Opposer’s mark “AMVASC”;
- 7.1.6 As further ruled by the High Court in *Mc Donalds’ 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 words and six letters, with the first word of both marks having the same letters and the second word having the same first two letters. In spelling, considering the Filipino language, even the last letters of both marks are the same.

x x x”

“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 trademark “AMVASC” and Respondent’s trademark “DAVASC” 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 for one over the other, most especially considering that the opposed trademark “DAVASC” 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 still filed a trademark application for “DAVASC” despite its knowledge of the existing trademark registration of

“AMVASC” which is confusingly similar thereto in both its sound and appearance.

- “8. Moreover, 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 likelihood of confusion.” [Emphasis supplied]

- “9. To allow Respondent to continue to market its products bearing the “DAVASC” mark undermines Opposer’s right to its marks. As the lawful owner of the mark “AMVASC”, Opposer is entitled to prevent the Respondent from using a confusingly similar mark in the course of trade where such 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 marks 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, from claiming ownership over Opposer’s marks or any depiction similar thereto, without its authority or consent.

9.3 Moreover, following the illustrative list of confusingly similar sounds in trademarks which the Supreme Court cited in *McDonalds’ Corporation, McGregor Food Industries, Inc. vs. Big Mak Burger, Inc.*, 437 SCRA 268 (2004), it is evident that the mark “DAVASC” is aurally confusingly similar to Opposer’s mark “AMVASC”.

9.4 To allow Respondent to use its “DAVASC” mark on its product would likely cause confusion or mistake in the mind of the public or deceive purchasers into believing that the “DAVASC” products of Respondent 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, which by the confusion loses nothing and gains patronage unjustly by the association of its products bearing the “DAVASC” 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, considering that Respondent, as the latter 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 have become well-known and established valuable goodwill to the consumers and general publics as well. The registration and use of Respondent’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 is in any way connected with the Opposer
- “11. Likewise, the fact that Respondent seeks to have its mark “DAVASC” registered in the same class (NICE Classification 5) as the trademark “AMVASC” of Opposer will undoubtedly add to likelihood of confusion among the purchasers of these two goods.
- “12. Thus, Opposer’s interests are likely to be damaged by the registration and use of the Respondent of the trademark “DAVASC”. In support of the foregoing, the instant Opposition is herein verified by Mr. John Dumpit which likewise serves as his affidavit (*Nasser vs. Court of Appeals, 191 SCRA 786 [1990]*)

Opposer submitted the following as its exhibits in support of its opposition.

Annex	Description
Annex “A”	Trademark published for opposition.
Annex “B”	Certificate of Registration No. 4200600470 for the mark “AMVASC” issued on August 10, 2007.
Annex “C”	Declaration of Actual Use (DAU).
Annex “D”	Labels as actually used for the mark “AMVASC”
Annex “E”	Copy of certification and sales performance.
Annex “F”	Product Registration issued by the Bureau of Food and Drugs (BFAD) for the mark “AMVASC”

On June 12, 2008 the Respondent-Applicant filed its Verified Answer denying all the material allegations of the verified notice of opposition and further alleged the following as its affirmative allegations and defenses.

#### Affirmative Allegations

- “1. Respondent’s assailed mark “DAVASC” is a word mark which was chosen because it is catchy and phonetically appealing and thus, will be easily remembered.
- “2. Respondent’s “DAVASC” mark begins with a consonant. It is different and distinct from Petitioner’s “AMVASC” word mark, which begins with the letter “A” which has a different cadence when spoken and with different stressed syllables.

#### Affirmative Allegations

- “1. The dominant feature of Respondent’s mark “DAVASC” and Opposer’s mark “AMVASC” are distinct and different from each other.
- 1.1 In determining whether a mark is identical with or confusingly similar to another mark, the Supreme Court laid the test of dominance which means that “if the competing trademarks contain the main or essential or dominant features of another, confusion and deception is likely to result”. In fact, the test of

dominancy is now explicitly incorporated in Section 155.1 of the IP Code which defines infringement as the colorable imitation of a registered mark or a dominant feature thereof.

- 1.2 In the instant case, the dominant elements of the marks “DAVASC” and “AMVASC” are different and distinct.
- “2. Respondent has a legitimate explanation for adopting the mark “DAVASC”.
- 2.1 Opposer insinuates that Respondent adopted the mark “DAVASC” to mislead the consumers. This is false.
- 2.2 There is a plain and simple reason for Respondent’s choice of the fanciful word mark “DAVASC” as already explained earlier.
- 2.3 The only similarities between said marks are that they both consist of two syllables and they both contain the syllable “VASC”. As to the first similarity, the same is too trivial. As to the second similarity, Opposer cannot claim exclusive right over the syllable “VASC” considering that the said syllable had long ago been adopted by Pfizer (ZUELLIG) for its “NORVASC” brand for the same drug as that of Opposer’s “AMVASC”. As such, Opposer cannot now appropriate for itself the syllable “VASC” to the exclusion of others.
- “3. Opposer failed to show the damage it suffered.
- 3.1 Opposer did not alleged nor substantiates the damage it has suffered or bound to suffer. IN fact it did not present any supporting document to such effect.

To be noted is that the fact that Respondent-Applicant failed to submit the affidavit of its witness and documents in support of its trademark application being opposed.

The issue to be resolved is:



WHETHER OR NOT THE RESPONDENT-APPLICANT IS ENTITLED TO THE REGISTRATION OF THE MARK “DAVASC”.

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;   |   |

The contending trademarks are reproduced below for comparison and scrutiny.

	
Opposer's mark	Respondent-Applicant's mark

The two trademarks are composed of two (2) syllables each and six (6) letters.

Out of the six (6) letters, they differ only in one (1) letter. The Opposer's mark has the presence of letter "M" while the Respondent-Applicant's mark has the presence of letter "D".

The competing trademarks last syllable "VASC" is identical in spelling, and pronunciation. They only differ in the first syllable which is "AM" for the Opposer and "DA" for the Respondent-Applicant.

In totality, the competing trademarks are confusingly similar to each other as when *pronounced*, they are almost the same or identical. The very slight distinction of the first syllable of the competing trademarks does not in any way negate the existence of confusing similarity.

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 such mark would likely cause confusion or mistake on the part of the buying public. In short, to constitute an infringement of an existing trademark, patent and warrant a denial of an application for registration, the law does not require that the competing trademarks must be so identical as to produce actual error or mistake, it would be sufficient, for purpose of the law, that the similarity between the two labels is such that there is a possibility or likelihood of the purchaser of the older brand mistaking the newer brand for it. (American Wire & Cable Company vs. Director of Patents et. al., [31 SCRA 544] [G.R. No. L-26557, February 18, 1970])

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 (Clarke vs. Manila Candy Co., 36 Phil. 100, 106; Co Tiong Sa vs. Director of Patents, 95 Phil. 1, 4).

It is worthy to note that the Opposer's mark "AMVASC" has been registered with the Intellectual Property Philippines bearing Registration No. 4-2006-000470 issued on August 10, 2007 (Annex "B"). The use and adoption by the Respondent-Applicant of substantially the same mark as subsequent user can only mean that applicant wishes to reap the goodwill, benefit from the advertising value and reputation of Opposer's mark. The goods covered by the competing marks fall under the same class 5 of the international classification of goods.

It cannot be denied therefore that the approval of Respondent-Applicant's application in question is in violation of Section 123.1 (d) of Republic Act No.8293 and Section 138 because



the mark DAVASC is confusingly similar to Opposer's registered mark AMVASC which is not abandoned.

The right to register trademarks, trade-names and service marks is based on ownership. Only the owner of the mark may apply for its registration (*Bert R. Bagano vs. Director of Patents, et. al., G.R. No. L-20170, August 10, 1965*).

IN VIEW OF ALL the foregoing, the opposition is, as it is hereby SUSTAINED. Consequently, Trademark Application No. 4-2007-012357 for the mark "DAVASC" filed on November 08, 2007 by GX INTERNATIONAL, INC. is hereby REJECTED.

Let the file wrapper of the trademark "DAVASC" subject matter of this case together with a copy of this DECISION be forwarded to the Bureau of Trademarks (BTO) for appropriate action.

SO ORDERED.

Makati City, 10 March 2009

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