

UNITED AMERICAN
PHARMACEUTICALS, INC.,
Opposer,
- versus -

IPC 14-2010-00034

YSS LABORATORIES CO. INC.,
Respondent-Applicant.
x-----x

Opposition to:
TM Application No. 4-2009-007469
(Filing Date: 27 July 2009)

TM: "ALERGIN"

Decision No. 2012-14

DECISION

UNITED AMERICAN PHARMACEUTICALS, INC. ("Opposer"), filed on 01 February 2010 an opposition to Trademark Application No. 4-2009-007469. The application, filed by YSS LABORATORIES CO. INC ("Respondent-Applicant"), covers the mark "ALERGIN" for use on "*antihistamine*" under Class 05 of the International Classification of Goods. The Opposer alleges, among other things, the following:

1. The trademark "ALERGIN" so resembles "ALLERIN" trademark owned by Opposer, registered with this Honorable Office prior to the publication of opposition of the mark "ALERGIN". The trademark "ALERGIN", which is owned by Respondent, will likely cause confusion, mistake and deception on the part of the purchasing public, most especially considering that the opposed trademark "ALERGIN" is applied for the same class of goods as that of trademark "ALLERIN", i.e., Class (5); antihistaminic preparation.

2. The registration of the trademark "ALERGIN" in the name of the Respondent 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: x x x

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 result.

3. Respondent's use and registration of the trademark "ALERGIN" will diminish the distinctiveness and dilute the goodwill of Opposer's trademark "ALLERIN".

4. Opposer, the registered owner of the trademark "ALLERIN", is engaged in the marketing and sale of a wide range of pharmaceutical products. The Trademark Application for the trademark "ALLERIN" was originally filed with Philippine Patent Office on 25 February 1969 by Opposer and was approved for registration by this Honorable Office on 18 March 1971 and valid for a period of twenty (20) years. Prior to the lapse of the twenty-year term, Opposer applied for the renewal of registration with the Intellectual Property Office. The application was granted and valid for another period of twenty (20) years from 18 March 1991. Hence, Opposer's registration of the "ALLERIN" trademark subsists and remains valid to date.
x x x

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

5.1. Opposer dutifully filed Affidavits of Use pursuant to the requirements of law, to maintain the registration of "ALLERIN" in force and effect. x x x

5.3. In order to legally market, distribute and sell these pharmaceutical preparations in the Philippines, Opposer registered the product with the Bureau of Food and Drugs (BFAD). x x x

6. There is no doubt that by virtue of the above-mentioned Certificate of Registration, the uninterrupted use of the trademark "ALLERIN" and the fact that it is well known among consumers as well as to internationally known pharmaceutical information provider, the Opposer has acquired an exclusive ownership over the "ALLERIN" mark to the exclusion of all others.

7. "ALERGIN" is confusingly similar to "ALLERIN".

7.1 There are no set rules that can be deduced in particularly ascertaining whether one trademark is confusingly similar to, or is a colourable 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, 213,] the Supreme Court, citing *Ethepa v. Director of Patents*, held "[i]n determining if 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 spectrum, the holistic test mandates that the entirety of the mark 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 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 *McDonalds' Corporation vs. L.C. Big Mak Burger, Inc.* [437 SCRA 10] held: x x x

7.1.4 Applying the dominancy test, it can be readily concluded that the trademark "ALERGIN", owned by Respondent, so resembles the trademark "ALLERIN", that it will likely cause confusion, mistake and deception on the part of the purchasing public.

7.1.4.1 First, "ALERGIN" sounds almost the same as "ALLERIN";

7.1.4.2 Second, the first five (5) and last two (2) letters of both marks are the same;

7.1.4.3 Third, both marks have three (3) syllables;

7.1.5 Clearly, the Respondent adopted the dominant features of the Opposer's mark "ALLERIN";

7.1.6 As further ruled by the High Court in *McDonald' case* [p.33] x x x

7.2 The trademark "ALLERIN" and Respondent's trademark "ALERGIN" 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 "ALERGIN" is applied for the

same class and goods as that of trademark "ALLERIN", i.e. Class (5), to the Opposer's extreme damage and prejudice.

7.3 Yet, Respondent still filed a trademark application for "ALERGIN" despite its knowledge of the existing trademark registration of "ALLERIN" 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 8293, otherwise known as the Philippine Intellectual Property Code ("IP Code"), which states: x x x

9. To allow Respondent to continue to market its products bearing the "ALERGIN" mark undermines Opposer's right to its marks. As the lawful owner of the mark "ALLERIN", 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 "ALLERIN", 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 "ALLERIN", 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, McGeorge Food Industries, Inc. vs. L.C. Big Mak Burger, Inc.* 437 SCRA 268 (2004), it is evident that the mark "ALERGIN" is aurally confusingly similar to Opposer's mark "ALLERIN".

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

9.5 In any event, as between the newcomer, Respondent, which by confusion loses nothing and gains patronage unjustly by the association of its products bearing the "ALERGIN" mark with the well-known "ALLERIN" 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 favour 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 "ALLERIN", the same have become well-known and established valuable goodwill to the consumers and the general public 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 Opposer.

11. Likewise, the fact that Respondent seeks to have its mark "ALERGIN" registered in the same class (Nice Classification 5) as the trademark "ALLERIN" of Opposer plus the fact that both are antihistamine will undoubtedly add to the 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 "ALERGIN". In support of the foregoing, the instant Opposition is herein verified by Mr. Eliezer J. Salazar which likewise serves as his affidavit (*Nasser v. Court of Appeals*, 191 SCAR 783 [1990]).

The Respondent filed its Answer on 18 June 2010, alleging among other things, the following:

ALERGIN IS NOT CONFUSINGLY SIMILAR WITH ALLERIN.

11. This Honorable Office will note that the Alergin is not confusingly similar with Allerin because: (a) it passed both the holistic and dominance tests.

12. If the holistic test were to be applied, this Honorable Office will readily see that the Alergin is not confusingly similar with Allerin. As defined by jurisprudence, the holistic test entails a consideration of the entirety of the marks as applied to the products, including the labels and packaging, in determining confusing similarity. x x x

13. By just looking at the images, it is readily noticeable that the respective packaging for Alergin and Allerin use different color schemes. Alergin, in all the boxes, uses a color scheme of aquamarine, light blue, and white. On the other hand, the Allerin syrup's packaging employs a color scheme of blue and yellow, while the Allerin softgel capsule's packaging uses a gradient color scheme combining blue and white.

14. Further, in all of its products, respondent-applicant's CYDC logo is apparent on top of the generic name print, just like opposer's UAP for the latter's products. Also, the names of the manufacturers for Allerin are easily seen on all packages. Again, the presence of respondent-applicant's logo and the name of the manufacturers on its products will readily show that Alergin is not a product of opposer. These traits of the prescription drugs will readily alert the physician and the pharmacist, and even the buying public, that they are holding products of different pharmaceutical companies.

15. Also, a reading of both marks will lead to different sounds given the presence of the letter "G" as the fifth word in the mark "Alergin". This also differentiates one product from the other and will negate the possibility of confusion.

16. It is emphasized that the mark "Alergin" is a fanciful term and that the common-sounding prefix "Aler" and "Aller" for Alergin and Allerin could be perceived only as an indication that the products or goods are being used for the treatment of allergies. This Honorable Office will note that it is a common practice of pharmaceutical companies to name their products in a note that gives the public an idea of the ailments their products seek to address. Hence, it would be unjust and unfair to deny the registration of the mark Alergin on the basis of commonality in the sound of the prefixes, when the prefixes of both products give a similar perception that they are being used for the treatment of allergies.

17. Even if the dominance test were to be applied, Alergin is still not confusingly similar with Allerin. As stated in *Philip Morris, Inc. v. Fortune Tobacco Corporation*, “The dominance test sets sight on the similarity of the prevalent features of the competing trademarks that might cause confusion and deception, thus constitutes infringement. Under this norm, the question at issue turns on whether the use of the marks involved would be likely to cause confusion or mistake in the mind of the public or deceive purchasers.”

18. Further, in the *Philip Morris* case, the Supreme Court’s ruling on the application of the dominance test is instructive, thus: x x x

19. Hence, following this ruling, if Alergin were to be considered as confusingly similar with Allerin, the mark should point out other origin or ownership of such mark. However, in this case, the use of Alergin will not point out the origin or ownership of such mark to oppose. To be sure, the mark “Alergin” is a fanciful term coined by respondent-applicant.

20. Given that reading the mark will not point to oppose as the owner of Alergin, Alergin is not confusingly similar with Allerin. Thus, this Opposition must be dismissed for lack of merit.

ALERGIN IS A PRESCRIPTION DRUG, WHICH WILL ONLY BE DISPENSED BY LICENSED PHARMACISTS UPON THE PRESENTATION OF A PRESCRIPTION FROM LICENSED PHYSICIANS.

21. This Honorable Office will also note that Alergin is prescription drug. This means that Alergin is not readily available to the ordinary buyers. For Alergin products to pass on to purchasers, buyers will have to present a physician’s prescription to a pharmacist, who will dispense the drugs. While Allerin is not a prescription drug, still its buyers will not be given Alergin because the latter requires the presentation of a prescription before it is dispensed.

22. Clearly, the dispensation process calls for the involvement of trained individuals, such as physicians and pharmacists, who have high levels of literacy. They are unlikely to be confused with the products. These persons, of all people, will know the difference between Alergin and Allerin.

23. It is also worth noting that Alergin and Allerin have different generic names. Alergin’s generic name is “cetirizine dihydrochloride,” while Allerin’s generic name is “diphenhydramine hydrochloride” for the Allerin capsules and “diphenhydramine hydrochloride phenylpropanolamine hydrochloride” for the Allerin reformulated syrup. Clearly, confusion is negated with these different generic names.

24. Thus, in the case of *Bristol Myers Co. vs. Director of Patents*, where the Supreme Court allowed the separate registration of the trademarks “BUFFERIN” and “BIOFERIN”, it was ruled that with regard to medicines, the requirement for prescription makes “the chances of being confused into purchasing one for the other are therefore all the more rendered negligible.”

25. Despite the Supreme Court ruling, opposer, in the its Opposition, cites the Supreme Court’s rulings in *Societe Des Produits Nestle, S. A. v. Court of Appeals* and *McDonald’s Corporation v. L. C. Big Mak Burger, Inc.* However, these cases are not in all fours with this case since the consumer items involved in the *Nestle* and *McDonald’s* cases are coffee (*Nestle* case) and fast-food products (*McDonald’s* case), while this case involves drugs. This Honorable Office will note that Alergin is a prescription drug, which may be bought only by prescription-bearing buyers, unlike coffee and fast-food products, which may be obtained by any cash-wielding purchaser.

26. Given that the products involved are medicines, purchasing these goods will entail more vigilance from the buying public, who are more likely to be cautious and less likely to be confused in these situations. Any likelihood of confusion is belied by the facts that an “ordinary purchaser” of pharmaceutical products would necessarily be one who is discerning and familiar with their nuances and individual markings considering the type and nature of the products involved. As held by the Supreme Court in the earlier-cited *Philip Morris* case. x x x

27. Further, in *Etepha v. Director of Patents*, the Supreme Court ruled: x x x

28. Evidently, the Supreme Court has already ruled out the possibility of confusing medicines when physicians and pharmacists are involved. Given that this matter of confusing similarity of two pharmaceutical products is the main issue in this case, this Honorable Office has no reason to divert from the thrust of the rulings in the *Etepha* and *Bristol Myers* cases: confusion in the dispensation of drugs is rendered impossible by the intervention of a physician and a pharmacist in the acquisition of the drugs; and, we add, even by the requirement of the Generics Act 1988 for the inclusion in the product labels of the generic name of the pharmaceutical product.

29. At any rate, this Honorable Office will note that no less than the Intellectual Property Office through the Bureau of Trademarks affirmed the registrability of the respondent-applicant’s mark “Alergin” when the subject application was allowed after it had undergone merit examination without citing opposer’s mark as an obstacle to the registration of the subject application.

Should the Respondent-Applicant be allowed to register the mark ALERGIN?

Sec. 123.1(d) of Rep Act No. 8293, also known as the Intellectual Property Code of the Philippines (“IP Code”) provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of the same goods or services or closely related goods or services or of it nearly resembles such a mark as to be likely to deceive or cause confusion.

Records show that at the time the Respondent-Applicant filed its trademark application on 27 July 2009, the Opposer has an existing trademark registration for “ALLERIN” under Reg. No. 16298. The registration lapsed twenty years after its date of issuance on 18 March 1971 but was subsequently renewed for the same number of years effective 18 March 1991 pursuant to Rep. Act. No. 166. The Opposer’s registered mark is used on “*antihistaminic preparation*” under Class 05, the same goods covered by the Respondent-Applicant’s application.

The foregoing facts notwithstanding, this Bureau finds the competing marks not confusingly similar. While the first four letters of the Respondent-Applicant’s mark (“ALER”) are similar to the first five letters of the Opposer’s mark (“ALLER”) and that both marks end with the letters “l” and “N”, confusion or deception is unlikely. Consumers can readily distinguish one mark from the other. This is so because the presence of the letter “G” in the Respondent-Applicant’s mark has rendered it a visual and aural character that sets it apart from the Opposer’s. This Bureau noted that the pharmaceutical product covered by the Respondent-Applicant’s application may be dispensed only through doctor’s prescription. It is very remote for a pharmacist or sales clerk to commit mistake in reading the prescription. The outward and bulging curves of the capital letter “G”, as well as the curves and downward “tail” of the letter if written or printed in the lower case, are prominent features that immediately catch or draw one’s eyes. These features are lacking in the Opposer’s mark. Also, due to the presence of the letter “G”, pronouncing the Respondent-Applicant’s mark produces a sound that is distinct from the sound created when the Opposer’s mark is pronounced. The syllabifications, for one, are different – “AL-LE-RIN” as compared to “A-LER-GIN”.

Thus, when one gets a chance to hear the Respondent-Applicant's mark or to look at the label bearing the mark "ALLERGIN, it is unlikely for that person to be easily reminded of the mark "ALLERIN". "ALERGIN" even resembles and/or is suggestive of the word "allergy" such that it is more probable for a consumer to associate the brand or mark "ALERGIN" to the word "allergy" than to mark "ALLERIN".

Succinctly, the function of a trademark is to point out distinctly the origin or ownership of the goods to which it is affixed; to secure to him who has been instrumental in bringing in the market a superior article of merchandise, the fruit of his industry and skill; to assure the public that they are procuring the genuine article; to prevent fraud and imposition; and to protect the manufacturer against substitution and sale of an inferior and different article as his product. This Bureau finds the Respondent-Applicant's mark consistent with this function.

WHEREFORE, premises considered the instant opposition is hereby DISMISSED. Let the filewrapper of Trademark Application Serial No. 4-2009-007469 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 26 January 2012.

ATTY. NATHANIEL S. AREVALO
Director IV
Bureau of Legal Affairs