

WESTMONT PHARMACEUTICALS, INC.	}	IPC No. 14-2008-00076
Opposer,	}	Case Filed on: April 1, 2008
	}	
-versus-	}	Opposition to:
	}	Serial No. 4-2007-006279
	}	Date Filed: 18 June 2007
	}	TM: "LEVOXA"
ACTAVIS GROUP PTC EHF,	}	
Respondent-Applicant.	}	
x-----x		Decision No. 2008-168

DECISION

Before us is a Verified Notice of Opposition filed against the application for registration of the mark "LEVOXA" used for pharmaceutical preparations and substances for the treatment of wide range of infections (broad spectrum antibiotics) under Class 05 of the international classification of goods bearing Application Serial No. 4-2007-006279 which was published in the Intellectual Property Office Electronic Gazette on 01 February 2008.

Opposer, WESTMONT PHARMACEUTICALS, INC. is a corporation organized and existing under the laws of the Philippines with principal office located at 4th Floor Bonaventure Building, Greenhills, San Juan. Respondent-Applicant, ACTAVIS GROUP PTC EHF is a corporation organized and existing under the laws of Iceland with address at Reykjavikurvegi 76, 220 Hafnarfirdi, Iceland.

Accordingly, the grounds for opposition are as follows:

1. The trademark LEVOXA so resembles LEVOX trademark owned by Opposer, registered with this Honorable Office prior to the publication for opposition of the mark LEVOXA. The trademark LEVOXA, which is owned by the Respondent-Applicant, will likely cause confusion, mistake and deception on the part of the purchasing public, most especially, considering that the opposed trademark LEVOXA is applied to the same class of goods as that of trademark LEVOX, i.e., Class 05.

2. The registration of the mark LEVOXA in the name of the Respondent-Applicant will violate Section 123 of Republic Act No. 8293, otherwise known as the "Intellectual Property Code of the Philippines".

Under the said 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-Applicant's use and registration of the trademark LEVOXA will diminish the distinctiveness and dilute the goodwill of Opposer's trademark LEVOX.

The Opposer relied on the following facts to support its opposition:

1. Opposer, the registered owner of the trademark LEVOX, is engaged in the marketing and sale of a wide range of pharmaceutical products. The trademark Application for the trademark LEVOX was filed with the Intellectual Property Office on 15 October 1998 by the Opposer and was approved for registration by this Honorable Office on 14 December 2003 and valid for a period

of ten (10) years or until 14 December 2013. The Opposer's registration of the LEVOX trademark subsists and remains valid to date.

2. The trademark LEVOX has been extensively used in commerce in the Philippines.

2.1. Opposer dutifully filed Affidavits of Use pursuant to the requirement of law, to maintain the registration of LEVOX in force and effect.

2.2 No less than the Intercontinental Marketing Services (IMC) itself, the world's leading provider of business intelligence and strategic consulting services for the pharmaceutical and health care industries with operations in more than 100 countries, acknowledged and listed the brand LEVOX as one of the leading brands in the Philippines in the category of "flouroquinolones" in terms of market share and sales performance.

2.3 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).

3. There is no doubt that by virtue of the Certificate of Registration, the uninterrupted use of the trademark LEVOX, and the fact that it is well known among consumers as well as to internationally known pharmaceutical information provider, the Opposer has acquired exclusive ownership over the LEVOX marks to the exclusion of all others.

4. LEVOXA is confusingly similar to LEVOX.

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

6. To allow Respondent-Applicant to continue to market its products bearing the mark undermines Opposer's right to its mark. As the lawful owner of the mark LEVOXA, Opposer is entitled to prevent the Respondent-Applicant from using a confusingly similar mark in the course of trade where such would likely mislead the public.

7. By virtue of Opposer's prior and continued use of the trademark LEVOX, the same has become well known and established valuable goodwill to the consumers and the general public as well. The registration and use of Respondent-Applicant's confusingly similar mark on its goods will enable the latter to obtain benefit from the 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.

8. Likewise, the fact that Respondent-Applicant seeks to have its mark LEVOXA registered in the same class (Nice Classification 5) as the trademark LEVOX of Opposer will undoubtedly add to the likelihood of confusion among the purchasers of these two goods.

9. Thus, Opposer's interests are likely to be damaged by the registration and use of the Respondent-Applicant of the trademark LEVOXA.

Together with the verified Notice of Opposition, Opposer submitted following evidence:

Exhibits	Description
"A"	Print-out from the IPO E-Gazette released for circulation on 01 February 2008 showing the mark LEVOX being allowed for opposition
"B"	Certificate of Registration No. 4-1998-007705 issued on December 14, 2003 for the mark LEVOX for Class 5.
"C"	Declaration of Actual Use of the mark LEVOX filed on July 21, 2000
"D"	Sample of product packaging bearing the mark LEVOX
"E"	Certification issued by the Intercontinental Marketing Services (IMS) dated March 11, 2008
"F"	Certificate of Product Registration issued by the Bureau of Food and Drugs (BFAD) for the brand name LEVOX

On April 16, 2008, a Notice to Answer was issued by this Bureau and the same was served personally on May 6, 2008 to Respondent-Applicant's counsel, E.B. Astudillo & Associates. A Motion for Extension of Time to File Verified Answer was filed by Respondent-Applicant on June 3, 2008 asking for an additional period of thirty (30) days within which to file the answer which was granted under Order No. 2008-880. On July 1, 2008, Respondent-Applicant filed another Motion for Extension of Time to File Verified Answer was filed by Respondent-Applicant on July 1, 2008 asking for another thirty (30) days from July 5, 2008 or until August 4, 2008 within which to file the answer. Said motion was also granted under Order No. 2008-975. Despite, however, of the lapse of period was also granted to Respondent-Applicant within which to file its answer, it still failed to file the verified answer. Hence, on September 16, 2008, this Bureau issued Order No. 2008-1372 waiving Respondent-Applicant's right to submit the Answer and other supporting documents and likewise submitting the case for decision.

The sole issue to be resolved in this case is: WHETHER OR NOT RESPONDENT-APPLICANT'S MARK "LEVOXA" IS CONFUSINGLY SIMILAR TO OPPOSER'S MARK "LEVOX".

Section 123.1 (d) of Republic Act No. 8293, as amended, provides:

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

x x x x

(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;”

In ascertaining whether one trademark is confusingly similar to or is a colorable imitation of another, jurisprudence has developed two tests, the dominance test and the holistic test. The dominance test focuses on the similarity of the prevalent features of the competing trademarks that might cause confusion. In contrast, the holistic test requires the court to consider the entirety of the marks as applied to the products, including the labels and packaging, in determining confusing similarity. The test of dominance is now explicitly incorporated into law in Section 155.1 of the Intellectual Property Code, which defines infringement as the “colorable imitation of a registered mark . . . or a dominant feature thereof.”

In the much earlier cases, the Supreme Court had already ruled that “in cases involving infringement of trademarks, it has been held that there is infringement when the use of the mark involved would likely cause confusion or mistake in the mind of the public or to deceive purchasers as to the origin or source of the commodity that whether or not a trademark causes confusion and likely to deceive the public, is a question of fact which is to be resolved by applying the “test of dominance,” meaning, if the competing trademark contains the main or essential or dominant features of another by reason of which confusion and deception are likely to result, then infringement takes place; and that duplication or imitation is not necessary, as similarity of the dominant features of the trademark would be sufficient.”

For purposes of comparison, the marks of the parties are hereunder reproduced:

Opposer’s Mark	Respondent-Applicant’s Mark
 The image shows the word "Levox" in a bold, sans-serif font. The letter 'L' is significantly larger than the other letters, and the 'e' is lowercase. The background is a light, textured grey.	 The image shows the word "LEVOXA" in a bold, all-caps, sans-serif font. The letters are uniform in size and weight. The background is a light, textured grey.

Indeed, as correctly observed by Opposer, by applying the dominance test, it can be readily concluded that the mark LEVOXA so resembles the trademark LEVOX, that it will likely cause confusion, mistake or deception on the part of the purchasing public. Both marks have the same five (5) letters, which are arranged precisely in the same way. Except for the font used and the addition of letter “A” to the word “LEVOX”, there is no other difference between the marks as to distinguish one from the other. Respondent-Applicant’s mark is clearly a literal copy of the Opposer’s mark. The trademarks LEVOX and LEVOXA are practically identical marks in sound and appearance that they leave the same commercial impression upon the public. An unfair competitor need not copy the entire mark to accomplish its fraudulent purposes. It is enough if he takes the one feature which the average buyer is likely to remember. Indeed, measured against the dominant-feature standard, applicant’s mark must be disallowed. For, undeniably, the dominant and essential feature of the article is the trademark itself. It is very apparent from the comparison of the mark that the word “LEVOXA” which is the mark itself of Respondent-Applicant is contained in Opposer’s registered mark “LEVOX” such that when the competing marks are pronounced, both marks sound the same that you cannot distinguish one from the other, thus is confusingly similar. In addition, both trademarks cover pharmaceutical preparations falling under Class 05 of the international classification of goods. As such, both products flow through the same channels of trade, therefore, confusion between the two trademarks would likely result to prospective buyers. In one American case, the rule applied was that, the

conclusion created by use of the same word as the primary element in a trademark is not counteracted by the addition of another term. By analogy, confusion cannot also be avoided by the merely adding one letter to a registered mark, as in this case. Confusing similarity exists when there is such a close or ingenuous imitation as to be calculated to deceive ordinary persons, or such resemblance to the original as to deceive ordinary purchaser as to cause him to purchase the one supposing it to be the other.

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

A boundless choice of words, phrases and symbols is available to one who wishes a trademark sufficient unto itself to distinguish his product from those of others. When, however, there is no reasonable explanation for the defendant's choice of such a mark though he field for his selection was so broad, the inference is inevitable that it was chosen deliberately to deceive.

In the case of American Wire & Cable Co. vs. Director of Patents, the Supreme Court held:

“As in all other cases of colorable imitations, the unanswered riddle is why, of the millions of terms and combinations of letters and designs available, the appellee had to choose a trademark so closely similar to another's trademark if there was no intent to take advantage of the goodwill generated by the other mark.”

In the same case, the High court also stated that “it has been aptly observed that the ultimate ratio in cases of grave doubt is the rule that as between a newcomer who by the confusion has nothing to lose and everything to gain and one who by honest dealing has already achieved favor with the public, any doubt should be resolved against the newcomer inasmuch as the field from which he can select a desirable trademark to indicate the origin of his product is obviously a large one.”

Moreover, aside from establishing that Respondent-Applicant's mark confusingly similar to Opposer's, records of this case would show that Opposer is the registrant of the mark “LEVOX” here in the Philippines as evidenced by a Certificate of Registration No. 4-1998-007705 issued way back in December 14, 2003 (Exhibit “B”) by the Office. As such, Opposer as owner of the said registered mark is entitled to protection. The protection of trademarks is the law's recognition of the psychological function of symbols. If it is true that we live by symbols, it is no less true that we purchase goods by them. A trademark is a merchandising shortcut, which induces a purchaser to select what he wants, or what he has been led to believe he wants. The owner of a mark exploits this human propensity by making every effort to impregnate the atmosphere of the market with the drawing power of a congenial symbol. Whatever the means employed, due aim is the same – to convey through the mark, in the minds of potential customers, the desirability of the commodity upon which it appears. Once this is attained, the trademark owner has something of value. If another poaches upon the commercial magnetism of the symbol he has created, the owner can obtain legal redress. Thus, under Section 138 of Republic Act No. 8293 it states that “the certificate of registration is a prima facie evidence of the registrant's ownership of the mark, and of the exclusive right to use the same in connection with the goods or services specified in the certificate and those that are related thereto.”

On the other hand, Respondent-Applicant failed to present any evidence to support its application for registration. Respondent-Applicant despite the receipt of the Notice to Answer and the additional period within which to file its Answer given by this Bureau, still failed its Answer and supporting documents which is indicative of its lack of concern in protecting its mark and as

such it is deemed to have abandoned its application on the ground of laches pursuant to Section 230 of Republic Act No. 8293 which states that: "in all inter partes proceedings in the Office under this Act, the equitable principle of laches, estoppel and acquiescence where applicable, may be considered and applied.

WHEREFORE, premises considered, the Notice of Verified Opposition filed by Opposer, WESTMONT PHARMACEUTICALS, INC. against Respondent-Applicant ACTAVIS GROUP PTC EHF is, as it is hereby SUSTAINED. Consequently, the trademark application for the mark "LEVOXA" bearing Serial No. 4-2007-006279 filed on 18 June 2007 by Respondent-Applicant for pharmaceutical preparations and substances for the treatment of wide range of infections (broad spectrum antibiotics) under Class 05 of the international classification of goods is, as it is hereby, REJECTED.

Let the filewrapper of "LEVOXA" subject matter of the instant case together with a copy of this Decision be forwarded to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Makati City, 19 September 2008.

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