



L.R. IMPERIAL, INC.,

Opposer,

- versus -

RANDRIL INTERNATIONAL CO., INC.,

Respondent-Applicant.

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Inter Partes Case No. 14-2008-00339

Opposition to:

Appln. Ser. No.: 4-2006-0013725

Date Filed: 21 Dec 2006

Trademark: "VERZAT-ER"

(Label mark)

Decision No. 2012 - 22

## DECISION

L. R. Imperial, Inc. ("Opposer")<sup>1</sup> filed on 02 December 2008 an opposition to Trademark Application Serial No. 4-2006-013725. The application, filed by Randril International, Co., Inc. ("Respondent-Applicant")<sup>2</sup>, covers the mark "VERZAT-ER" for use on "*Pharmaceutical Product-Antibacterial used for the prevention, alleviation and cure of infections*" under Class 5 of the International Classification of Goods.<sup>3</sup> The Opposer alleges among other things the following:

"1. The trademark 'VERZAT' so resembles the trademark 'VERSANT', owned by Opposer, which was registered by this Honorable Office on 20 March 2005. The trademark 'VERZAT', 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 'VERZAT' is applied for the same class and good as other trademark 'VERSANT', i.e. Class (5).

"2. The registration of the mark 'VERZAT' in the name of Respondent-Applicant will violate Section 123 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 'VERZAT' will diminish the distinctiveness and dilute the goodwill of Opposer's trademark 'VERSANT'.

The Opposer's evidence consists of print-out of "E-Gazette" with releasing date of 03 October 2008 containing trademarks published for opposition including Trademark Application No. 4-2006-013724, photocopy of Cert. of Reg. No. 4-2003-001760, photocopy of Declaration of Actual Use ("DAU"), packaging/label of "VERSANT-XR", Cert. of Product Registration issued by Bureau of Food and Drugs ("BFAD"), and certification issued by IMS Health Philippines, Inc., dated 03 September 2008, on the sales data for "*calcium antagonists plain (COSA)*" covering the period "*MAT June 2008 (July 2007-June 2008)*" and "*MAT June 2007 -July 2006-June 2007*".<sup>4</sup> This Bureau also noticed that the Opposer included Annex "D" to its

<sup>1</sup> A corporation duly organized and existing under Philippine laws with address at 2<sup>nd</sup> Floor, Bonaventure Plaza, Ortigas Avenue, Greenhills, San Juan, Metro Manila

<sup>2</sup> A corporation organized under Philippine laws with address at Unit 2205-A 22<sup>nd</sup> Floor, West Tower, Philippine Stock Exchange Center, Ortigas, Pasig City.

<sup>3</sup> The Nice Classification is a classification of goods and services for the purpose of registering trademark and service marks, based on a multilateral treaty administered by the World Intellectual Property Organization. The treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the purposes of the Registration of Marks concluded in 1957.

<sup>4</sup> Annexes "A" to "F" to the Verified Notice of Opposition.

Verified Notice of Opposition, an actual label/packaging for a pharmaceutical product under the brand "LEVOX".

The Respondent-Applicant filed its Answer on 10 June 2009, alleging among other things, the following:

"2.1 It should be noted that the competing marks are VERZAT-ER and VERSANT.

"2.2 On the other hand, the products covered by VERSANT contain FELODIPINE as its active ingredient. This pharmaceutical preparation is used for hypertension. For the Respondent, the mark VERSAT-ER contains CEFACLOR as its active ingredient and is used as an anti-bacterial preparation. Furthermore, there is no question that for both products, the prescription of a physician is required.

"2.3. Under the Generics Law, physicians are required to issue prescriptions using the generic name (active ingredients) being the primary consideration. If the said physicians prefer a certain product, he may write the trademark in the prescription as a secondary consideration.

"2.4 Likewise, under the Generics law, the generic name of a pharmaceutical product should be written as the dominant portion of the wrapper and should also be contained within a rectangle. For this reason, the generic name of the Opposer's mark is dominant and printed in a rectangle. The same is true with the respondent's product. Thus the similarity of the presentation of the generic name of the competing products is evident.

"2.5 Furthermore, from the wrapper of Respondent's product (identified in the affidavit of the lone witness); it is very clear that these products are distributed by Randril International Co.- the Respondent in this case. Moreover, it is also very clear that the said products are manufactured by Lloyds Laboratories and licensed from Rhiza Laboratories.

"2.6 The mark VERZAT-ER has been in the market for a long time. Opposer claims in their affidavit of use that the (sic) started to sell VERSANT products since 2004. Consequently, for a long time, the competing products are already in market and yet there was no incidence of confusion among the buying public."

The Respondent-Applicant submitted the Affidavit executed by Sonny Bob Cardinal of the Innogen Group of Companies on 03 June 2009, actual label of "VERZAT-ER", and transaction documents consisting of delivery ticket and record of consignment, as evidence.<sup>5</sup>

Records show that at the time the Respondent-Applicant filed its application in 2006, the Opposer has an existing registration for the mark "VERSANT" under Reg. No. 4-2003-001760. 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:

- (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;

The competing marks are shown below for comparison:

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<sup>5</sup> Annexes "1" to "3" (inclusive).

# Versant



*Opposer's mark*

*Respondent-Applicant's mark*

The Respondent-Applicant seeks to register not only the word "VERZAT-ER" but also the whole label itself, although with a disclaimer as to the words "CEFACTOR", "750mg Extended Release Tablet", "anti-bacterial", "manufactured under license from"; "by"; "distributed by" and "RX". Be that as it may, the determination of whether or not the competing marks are confusingly similar still boils down to an assessment whether the word "VERZAT-ER" resembles "VERSANT" such that confusion or deception is likely to occur.

In this regard, the fact that both marks have "VER" as first syllable is not sufficient to establish the likelihood of confusion or deception. This Bureau has considered the following differences between the marks:

1. the configuration of the letter "S" in the second syllable of the Opposer's mark *viz- a-viz* the letter "Z" in the Respondent-Applicant's mark;
2. the presence of the letter "N", increasing the distance between "A" and "T" in the Opposer's mark"; and
3. the presence of the letters "ER", as appended to the word "VERZAT" in the Respondent-Applicant's mark.

These differences accorded the Respondent-Applicant's mark visual properties or character that make it easy for ones' eyes to distinguish one mark from the other, like the curves of the letter "S" as against the straight and slashing lines of the letter "Z" and the depth and perspective created when the letter "N" is placed between letters "A" and "T". The appendage of the letters "ER" to the word "VERZAT" also practically eliminated any confusion as to sound, if any. Even the similarity in sound, again if any, is insignificant in this case because the goods or pharmaceutical products on which the competing marks are attached or used may be dispensed or obtained only through prescription by a physician, meaning in writing. This means, that if ever a mistake is committed, it would not be on the part of the consumer himself but hypothetically due to a misreading of the prescription by the pharmacist or sales clerk. But committing mistake by misreading a physician's prescription in this instance would be unlikely for a highly trained professional like a pharmacist taking into account the differences between the competing marks.

It is also very remote for the consumers to associate one mark with the other considering that the Opposer's trademark registration, dated 20 March 2005, covers "Antihypertensive/calcium channel blocker pharmaceutical preparation" under Class 05. These goods

are not similar to the goods covered by the Respondent-Applicant's application namely "pharmaceutical preparation – anti bacterial used for the prevention, alleviation and cure of infections", in composition and purpose. In determining whether goods are dissimilar, emphasis must be placed on the similarity of goods and not on the arbitrary classification of the goods. The Supreme Court held in *Philippine Refining Co., Inc. v. Ng Sam*<sup>8</sup>,

"In determining whether goods are dissimilar, emphasis must be placed on the similarity of goods and not on the arbitrary classification of the goods. xxx

"While Respondent's product, ham and some of the products of Petitioner are classified under Class 47 (Food and Ingredients of Food), this alone cannot serve as the decisive factor in the resolution of whether or not they are related goods. Emphasis should be on the similarity of the products involved and on the arbitrary classification or general description of their properties or characteristics. The particular goods of the parties are so unrelated that consumers would not in any probability mistake one as the source or origin of the product of the other."

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 into 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.<sup>6</sup> 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. 4-2006-013725 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 14 February 2012.

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

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<sup>8</sup> G.R. No. L-26676, 30 Jul. 1982.

<sup>6</sup> *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 Nov. 1999.