



BIOMEDIS, INC.,
Opposer,

-versus-

2 WORLD TRADERS SUBIC, INC.,
Respondent-Applicant.

X-----X

} IPC No. 14-2011-00326
} Opposition to:
} Appln. Serial No. 4-2010-005836
} Filing Date: 31 May 2010
} TM: "MOXICLAV"

NOTICE OF DECISION

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2 WORLD TRADERS SUBIC, INC.
Respondent-Applicant
Unit J. Anglo Asia Bldg., Commitment St.
Subic Bay Industrial Park, Freeport Zone
Olongapo City

GREETINGS:

Please be informed that Decision No. 2013 - 42 dated February 26, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, February 26, 2013.

For the Director:

Atty. PAUSI U. SAPAK
Hearing Officer
Bureau of Legal Affairs



BIOMEDIS INC.,

Opposer,

- Versus -

2 WORLD TRADERS SUBIC, INC.,

Respondent-Applicant.

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TM: "MOXICLAV"

Decision No. 2013- 42

DECISION

BIOMEDIS INC. ("Opposer")¹ filed on 27 July 2011 an opposition to Trademark Application Serial No. 4-2010-005836. The application, filed by 2 WORLD TRADERS SUBIC, INC. ("Respondent-Applicant")², covers the mark "MOXICLAV" for use on "*pharmaceutical preparations*" under Class 5 of the International Classification of Goods or Services.³

The Opposer alleges, among other things, that the mark MOXICLAV so resembles its registered mark "AMOCLAV". According to the Opposer, registration of the mark MOXICLAV in favor of the Respondent-Applicant will violate Section 123 of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"). The Opposer also contends that the Respondent-Applicant's use and registration of MOXICLAV will take advantage of, dilute and diminish the distinctive character or reputation of AMOCLAV.

To support its opposition, the Opposer submitted as evidence a printout of page 4 of the "IPO E-Gazette" with releasing date of 27 June 2011 and other documents relating to the mark AMOCLAV, particularly, copies of Cert. of Reg. No. 4-1999-003627 (issued on 01 July 2005), affidavit of use/copies of affidavit of use, sample product label, sales data, and copy of the certificate of product registration issued by the Bureau of Food and Drugs.⁴

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 10 August 2011. The Respondent-Applicant, however, did not file an Answer.

A perusal of the instant opposition shows that it is anchored on Sec. 123.1, paragraph (d), of the IP Code which 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 if it nearly resembles such mark as to be likely to deceive or cause confusion.

1 A corporation duly organized and existing under the laws of Philippines with principal office address at 108 Rada St., Legaspi Village, Makati City.

2 A domestic corporation, with principal business address at Unit J Anglo Asia Bldg., Commitment St., Subic Bay Industrial Park, Freeport Zone, Olongapo City.

3 The nice classification is a classification of goods and services for the purpose of registering trademark and services marks, based on the 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 Purpose of the Registration of marks concluded in 1957.

4 Marked as Exhibits "A" to "G", inclusive.

The records and evidence shows that at the time the Respondent-Applicant filed its trademark application on 31 May 2010, the Opposer has already an existing trademark registration for AMOCLAV bearing Reg. No. 4-1999-003627 issued on 01 July 2005. This registration covers "*medicinal preparation for use as antibacterial*" under Class 5. Significantly, this Bureau noticed that the Respondent-Applicant's trademark application indicates that MOXICLAV is or will be used on "*pharmaceutical preparations*". MOXICLAV's usage therefore, covers pharmaceutical products that are similar or closely related to those bearing the mark AMOCLAV.

It is unlikely, however, that the co-existence of the marks will cause confusion, much less deception, among the public. The only similarities between the marks, as shown below,

AmoClav

Opposer's mark

MOXICLAV

Respondent-Applicant's mark

are the syllable "MO" and the suffix "CLAV".

In this regard, there is sufficient reason to infer or even to conclude that the suffix "CLAV" is derived from the substance "*clavulanic acid*". The Opposer's evidence in fact, specifically, the sample product packaging, shows that AMOCLAV's generic name is "CO-AMOXICLAV, its formulation consisting of "*amoxicillin*" and "*clavulanic acid*"⁵. Obviously, AMOCLAV is just a contraction of "AMOXICLAV" and/or combination of "AMO" (from "*amoxicillin*") and "Clav" (from "*clavulanic acid*").

AMOXICLAV thus, is not highly distinctive as a trademark. At most, it is considered a suggestive mark, which is a weak mark. What will set apart or distinguish such mark from another mark which also includes the same suffix, are the letters and/or syllables that precede "CLAV". In this instant, it is very unlikely that a consumer will be misled or confused into believing that the Respondent-Applicant's goods came or originated from or connected to or associated with the Opposer's. The Respondent-Applicant's mark starts with the letters or syllables "MOXI" which are so much different from "AMO" in the Opposer's mark. Without the letter "A" but with the syllable "XI", the "MO" in the Respondent-Applicant's mark gained visual and aural properties such that it can easily be distinguished from "AMO".

Nevertheless, the registration of MOXICLAV as a trademark should not be allowed. It must be emphasized that an opposition proceeding is basically a review of the trademark application in question, succinctly, to determine whether the mark in question meets the requirements of registration under the law.

The Respondent-Applicant's trademark application states that the mark will be used on "*pharmaceutical preparations*". With such broad coverage, the mark practically covers or includes CO-AMOXICLAV. While AMOCLAV is also derived from the generic name CO-AMOXICLAV, the elimination of the middle syllable "XI" enables it to acquire a distinctive character, and therefore registrable *albeit* as a suggestive mark. It is otherwise, with respect to

⁵ Exhibit "E".

MOXICLAV. While the first three (3) letters (“C”, “O” and “A”) were removed, the Respondent-Applicant retained the syllable “XI”. As such, MOXICLAV still looks and sound identical to the generic name. The visual and aural character of the generic name is retained by MOXICLAV.

Sec. 123.1 of the IP Code provides, in part, that a mark cannot be registered if it:

- (h) Consist exclusively of signs that are generic for the goods or services that they seek to identify;
- (i) Consist exclusively of signs or of indications that have become customary or usual to designate the goods or services in everyday language or in bona fide and establishes trade practice;
- (j) Consist exclusively of signs or indications that may serve in trade to designate the kind, quality, quantity, intended purpose, value, geographical origin, time or production of the goods or rendering of the services, or other characteristics of the goods or services;

Generic terms are those which constitute “*the common descriptive name of an article or substance*”, or comprise the “*genus of which the particular product is a species*”, or are commonly used as the “*name or description of a kind of goods*”, or imply reference to “*every member of a genus and the exclusion of individuating characters*”, or “*refer to the basic nature of the wares or services provided rather than to the more idiosyncratic characteristics of a particular product*”, and are not legally protectable. On the other hand, a term is descriptive and therefore invalid as a trademark if, as understood in its normal and natural sense, it “*forthwith conveys the characteristics, functions, qualities or ingredients of a product to one who has never seen it and does not know what it is*”, or if it clearly denotes what goods or services are provided in such a way that the customer does not have exercise powers of perception or imagination⁶.

This Bureau and the Director General of the Intellectual Property Office of the Philippines have already passed upon the issue of whether a mark that is obviously a replication of the generic name of the goods on which the mark is used or attached should be allowed to be registered or not. This Bureau takes judicial notice of Inter Partes Case No.14-2009-000249 entitled *Sanofi-Aventis v. Ranbaxy Laboratories Limited*. This Bureau decided the cited case by sustaining the opposition to the application for the registration of the mark “IRBESAR” on the ground that it is confusingly similar to and is a virtual replication of “IRBESARTAN”, which is the generic term for a drug mainly used for treating hypertension. The Director General sustained this Bureau’s ruling in his decision of 17 December 2012, to wit⁷:

“As correctly pointed out by the Appellee (Sanofi-Aventis):

3.1. All the letters in the Respondent-Applicant’s mark IRBESAR form part of the INN ‘IRBESARTAN’. In fact, all the seven (7) letters in the Respondent-Applicant’s IRBESAR mark constitute the first seven (7) letters of the INN or generic name ‘IRBESARTAN’.

3.2. The last three letters of the Respondent-Applicant’s IRBESAR mark, namely, the letters S, A and R, consist of a substantial part of the common stem- SARTAN of the INN system.

⁶ See *Des Produits Nestle, S.A. v. Court of Appeals* (356 SCRA 207, 222-223) 2001.

⁷ Appeal No.14-2010-0042.

3.3 It bears stressing that the INN 'IRBESARTAN' and the Respondent-Applicant's mark IRBESAR are both used for pharmaceutical products, the former being the generic name of the latter.

"Accordingly, the similarities in IRBESAR and IRBESARTAN are very obvious that to allow the registration of IRBESAR is like allowing the registration of a generic term like IRBESARTAN. Their similarities easily catches one's attention that the purchasing public may be misled to believe that IRBESAR and IRBESARTAN are the same and one product.

"A certificate of registration of a mark shall be prima facie evidence of the validity of the registration, the registrant's ownership of the mark and of the registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate.⁸ Significantly, the registration of IRBESAR would give the Respondent-Applicant the exclusive right to use this mark and prevent others from using similar marks including the generic name and INN IRBESARTAN. This cannot be countenanced for it is to the interest of the public that a registered mark should clearly distinguish the goods of an enterprise and that generic names and those confusingly similar to them be taken outside the realm of registered trademarks.

"The main characteristic of a registrable trademark is its distinctiveness. A trademark must be a visible sign capable of distinguishing the goods or services of an enterprise⁹. From the foregoing, IRBESAR cannot be considered a distinctive mark that would merit trademark registration. IRBESAR is substantially similar to the generic name IRBESARTAN that the use of the former can only be construed as an abbreviation of the latter. In one case the Supreme Court held that:

"...known words and phrases indicative of quality are the common property of all mankind and they may not be appropriated by one to mark an article of his manufacturer, when they may be used truthfully by another to inform the public of the ingredients which make up an article made by him. Even when the sole purpose of the one who first uses them is to form them a trademark for him expressing only of origin with himself, if they do in fact show forth the quality and composition of the article sold by him, he may not be protected in the exclusive use of them¹⁰".

WHEREFORE, the instant opposition is hereby **SUSTAINED** for the reasons stated above. Let the filewrapper of Trademark Application Serial No. 4-2010-005836 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 26 February 2013.


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

⁸ See Sec. 138, IP Code.

⁹ See Sec. 121.1, IP Code.

¹⁰ *East Pacific Merchandising Corp. v. Director of Patents*, G.R. No. L-14377, 29 Dec. 1960.