MEDICHEM PHARMACEUTICALS, INCORPORATED, Opposer,	}	**IPC No. 14-2013-00197** Opposition to: Appln. Serial No. 4-2012-014253 Filed: 22 November 2012 **TM: "VERTIZA"**
-versus-	}	
ZYDUS PHILIPPINES, INC., Respondent-Applicant.	}	

x----------x

NOTICE OF DECISION

OCHAVE & ESCALONA
Counsel for the Opposer
No. 66 United Street
Mandaluyong City

ZYDUS PHILIPPINES, INC.
Respondent-Applicant
Unit Penthouse 1, 19th Floor, Gold Loop Tower A
Escriva Drive, Barangay San Antonio
Ortigas Center, Pasig City

GREETINGS:

Please be informed that Decision No. 2013 - 220 dated November 15, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, November 15, 2013.

For the Director:

Atty. EDWIN DANILO A. DATING
Director III
Bureau of Legal Affairs

MEDICHEM PHARMACEUTICALS, INCORPORATED, Opposer,	}	**IPC No. 14-2013-00197** Opposition to:
- versus -	}	Appln. Serial No. 4-2012-014253 Date Filed: 22 November 2012
ZYDUS PHILIPPINES, INC., Respondent-Applicant.	}	Trademark: **VERTIZA**
x----------x		Decision No. 2013 - 220

DECISION

MEDICHEM PHARMACEUTICALS, INC.[1] ("Opposer") filed on 08 May 2013 a Verified Notice of Opposition to Trademark Application No. 4-2012-014253. The application, filed by ZYDUS PHILIPPINES, INC.[2] ("Respondent-Applicant"), covers the mark VERTIZA for use on *"betahistidine (pharmaceutical product: antivertigo drugs)"* under Class 5 of the International Classification of goods[3].

The Opposer alleges the following:

"7. The mark VERTIZA owned by Respondent-Applicant so resembles the trademark VERITA owned by Opposer and duly registered with the IPO prior to the publication for opposition of the mark VERTIZA.

"8. The mark VERTIZA will likely cause confusion, mistake and deception on the part of the purchasing public, most especially considering that the opposed mark VERTIZA is applied for the same class and goods as that of Opposer's trademark VERITA, *i.e.* Class 05 of the International Classification of Goods as pharmaceutical product for anti-vertigo and/or anti-epileptic.

"9. The registration of the mark VERTIZA in the name of the Respondent-Applicant will violate Sec. 123 of the IP Code, 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 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**

1 A domestic corporation duly organized and existing under the laws of the Philippines, with office address at 132 Pioneer Street, Mandaluyong City, Philippines.

2 Appears to be a domestic corporation with address at Unit Penthouse 1, 19th Floor, Gold Loop Tower A, Escriva Drive, Barangay San Antonio, Ortigas Center, Pasig City, Philippines.

3 Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks, based on a multilateral administered by the World Intellectual Property Organization. This 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.

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 result."

In support of the opposition, the Opposer submitted as evidence a pertinent page of the IPO e-Gazette bearing publication date of 08 April 2013[4] and a certified true copy of Certificate of Registration No. 4-2012-002451 for the trademark VERITA[5].

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 30 May 2013. The Respondent-Applicant, however, did not file its Verified Answer. Thus, this Bureau issued Order No. 2013-1400 dated 10 October 2013 declaring the Respondent-Applicant in default and submitting the case for decision on basis of the opposition, affidavit of witness and documentary or object evidence submitted by the Opposer.

Should the Respondent-Applicant's trademark application be allowed?

The essence of trademark registration is to give protection to the owners of trademarks. 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.[6] Thus, Section 123.1 (d) of R. A. 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 if it nearly resembles such a mark as to be likely to deceive or cause confusion.

In this regard, the records show that at the time the Respondent-Applicant filed its trademark application on 22 November 2012, the Opposer already has an existing registration for the trademark VERITA (Registration No. 4-2012-002451) issued on 05 July 2012. The Respondent-Applicant's trademark application indicates that the mark is for use on goods *"betahistidine (pharmaceutical product: anti-vertigo drugs)"* under Class 05 while the Opposer's registration covers goods also under Class 05, namely, *"pharmaceutical preparation (anti-epileptic)"*. The goods, therefore, are related in the sense that they are both pharmaceutical products under Class 05.

But do the marks resemble each other that confusion, or even deception, is likely to occur?

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4 Exhibit "A".
5 Exhibit "B".
6 See *Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 Nov. 1999.

The marks are depicted below:

VERITA	VERTIZA
Opposer's Mark	Respondent-Applicant's Mark

The competing marks are identical in appearance and sound. Both consists of three syllables, /VE/-/RI/-/TA/ for Opposer and /VER/-/TI/-/ZA/ for Respondent-Applicant. They also both start with the prefix "VER". While there has been a slight difference in spellings in the middle letters of the contending marks, the difference is inconsequential to the effect on the eyes and ears. As a matter of fact, since they both have the same prefix and has three syllables, they gave the same sounding effect when pronounced. Also, the fact that they are both word marks in plain capital letterings without any unique device or design, they leave the same commercial impression upon the public.

Confusion cannot be avoided by merely dropping, adding or changing some of the letters of a registered mark. 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.[7] Colorable imitation does not mean such similitude as amounts to identity, nor does it require that all details be literally copied. Colorable imitation refers to such similarity in form, context, words, sound, meaning, special arrangement or general appearance of the trademark or tradename with that of the other mark or tradename in their overall presentation or in their essential, substantive and distinctive parts as would likely to mislead or confuse persons in the ordinary course of purchasing the genuine article.[8]

Succinctly, because the Opposer's and Respondent-Applicant's marks both deal with pharmaceutical products, the changes in the spelling therefore did not diminish the likelihood of the occurrence of mistake, confusion or even deception.

It is stressed that the determinative factor in a contest involving trademark registration is not whether the challenged mark would actually cause confusion or deception of the purchasers but whether the use of such mark will likely cause confusion or mistake on the part of the buying public. 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 purposes 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.[9] The likelihood of confusion would subsist not only on the purchaser's perception of goods but on the origins thereof as

7 *Societe Des Produits Nestle S. A. v. Court of Appeals*, G. R. No. 112012, April 4, 2001.

8 *Emerald Garment Manufacturing Corp. v. Court of Appeals*, G. R. No. 100098, December 29, 1995.

9 *American Wire and Cable Co. v. Director of Patents et al.*, G.R. No. L-26557, 18 Feb. 1970.

held by the Supreme Court:[10]

> Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily prudent purchaser would be induced to purchase one product in the belief that he was purchasing the other. In which case, defendant's goods are then bought as the plaintiff's and the poorer quality of the former reflects adversely on the plaintiff's reputation. The other is the confusion of business. Here, though the goods of the parties are different, the defendant's product is such as might reasonably be assumed to originate with the plaintiff and the public would then be deceived either into that belief or into belief that there is some connection between the plaintiff and defendant which, in fact does not exist.

Accordingly, this Bureau finds that the Respondent-Applicant's trademark application is proscribed by Sec. 123.1 (d) of the IP Code.

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2012-014253 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 15 November 2013.

Atty. NATHANIEL S. AREVALO
Director IV, Bureau of Legal Affairs

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10 *Converse Rubber Corporation v. Universal Rubber Products, Inc., et al.*, G.R. No. L-27906, 08 Jan. 1987.