MERCK KGAA, Opposer, **-versus-** **BAYER AKTIENGESELLSCHAFT,** Respondent-Applicant.	}	**IPC No. 14-2011-00330** Opposition to: Appln. Serial No. 4-2011-003240 Filing Date: 22 March 2011 **TM: "NEUROBAY"**

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2013 - 25 dated February 05, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, February 05, 2013.

For the Director:

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

MERCK KGAA,
Opposer,

-versus-

BAYER AKTIENGESELLSCHAFT,
Respondent.
x----------x

IPC No. 14-2011-00330
Case Filed: 21 September 2011

Opposition to:
Appln. Serial No.: 4-2011-003240
Filing Date: 22 March 2011

TM: "NEUROBAY"

Decision No. 2013 - 25

DECISION

MERCK KGAA ("Opposer")[1] filed on 21 September 2011 a Verified Opposition to Trademark Application Serial No. 4-2011-003240. The application, filed by BAYER AKTIENGESELLSCHAFT ("Respondent-Applicant")[2], covers the mark "NEUROBAY" for use on "pharmaceutical preparations and substances" under Class 5 of the International Classification of Goods[3].

The Opposer alleges among other things, the following:

1. The mark NEUROBAY which Respondent seeks to register so resembles Opposer's registered trademark "NEUROBION", which when applied to or used in connection with the goods covered by the application under opposition will likely cause confusion, mistake and deception on the part of the purchasing public.

2. Opposer has adopted and continuously used the trademarks "NEUROBION" in actual trade and international commerce for a long period of time and had acquired goodwill and international consumer recognition.

3. It had registered the marks and used it in many countries that are members of the Paris Convention.

4. The registration of respondent's trademark will violate Section 123.1 of Republic Act 8293 (The New Philippine Intellectual Property Code).

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[1] A corporation duly organized and existing under the laws of Germany, with business address at Frankfurther Strasse 250, 64293 Darmstadt Germany.
[2] With address at KAISER-WILHELM-ALLEE, 51373 LEVERKUSEN, GERMANY.
[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.

5. The registration of Respondent's trademark contravenes the provisions of Article 6bis of the Paris Convention on the Protection of Industrial Property and the TRIPS Agreement.

The Opposer's evidence consists of the following:

1. Exhibit "A" – Special Power of Attorney from Merck KGaa;
2. Exhibit "B" – Certified true copy of the renewal of Registration Certificate No. 22189 for NEUROBION;
3. Exhibit "C" – Certified true copy of the 5th anniversary acceptance of the affidavit of use for NEUROBION;
4. Exhibit "D" – Certified true copy of the 10th anniversary acceptance of the affidavit of use for NEUROBION;
5. Exhibit "E" – Certified true copy of the 15th anniversary acceptance of the affidavit of use for NEUROBION;
6. Exhibit "F" – Affidavit of ANTJE Kracker and Jonas Kolle;
7. Exhibit "G" – List of countries worldwide where NEUROBION is used;
8. Exhibits "H-1,2,3" – Pictures of sample packs and packages for NEUROBION;
9. Exhibit "I" – Certified coy of Bangladesh Trademark Registration No. 870816 for NEUROBION;
10. Exhibit "J" – Certified copy of Lesotho Trademark Registration No. LS/M/97/00437 for NEUROBION;
11. Exhibit "K" – Certified copy of Ecuadorian Trademark Registration No. 883 for NEUROBION; and
12. Exhibit "L" – Certified copy of WIPO UK Trademark Registration No. 195690 for NEUROBION.

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 12 July 2012. However, no answer was filed. Accordingly, the Hearing Officer issued an Order on 09 July 2012 declaring the Respondent-Applicant in default and the case submitted for decision based on the opposition and the evidence submitted by the Opposer.

Should the Respondent-Applicant trademark application be allowed?

It is emphasized that the essence of trademark registration is to give protection to the owner of the trademarks. The function of a trademark is to point out distinctly the origin of 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 and sale of an inferior and different article of his products[4].

Thus, Sec. 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

[4] Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114509, 19 November 1999.

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.

Records show that at the time the Respondent-Applicant filed its trademark application on 22 March 2011, the Opposer has already an existing trademark registration for the mark "NEUROBION" for use on "pharmaceutical and medicinal preparations, especially pharmaceutical products containing a combination of the neurotropic vitamins B1, B6 and B12" under Class 5.

In this regard, this Bureau noticed that the Opposer's mark is indicative of the pharmaceutical product on which it is used, i.e. "neurotropic" vitamins. The Opposer's mark therefore is considered a suggestive mark. Its distinctive character therefore lies not in the prefix "neuro" but in the syllables, letters appended to it, and other features or devices, if any.

As can be gleaned below, the syllable/s succeeding the prefix NEURO in the Opposer's mark is "BION", while in the Respondent-Applicant's mark, it is BAY:

Neurobion	NEUROBAY
Opposer's Mark	Respondent-Applicant's Mark

Significantly, the second syllables in the parties' respective marks both start with the letter "B". While the syllables differ in spelling, there is a resemblance between the two marks. The similarity is enhanced as to sound as the Opposer's mark is likely to be pronounced as "NYU-RO-BA-YON". In pronouncing the mark, the stress on the letters "ON" diminishes, such that it now sounds so similar "BAY".

Confusion cannot be avoided by merely adding, removing or changing some 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.[5] 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 the form, content, words, sound, meaning, special arrangement or general appearance of the trademark or tradename with that of the others mark or tradename in their over-all presentation or in their essential, substantive and distinctive parts as would likely to mislead or confuse persons in the ordinary course of purchasing genuine article[6].

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

[5] Societe Des Produits Nestle, S.A. v. Court of Appeals, G.R. No. 112012, 04 April 2001, 356 SCRA 207, 217.
[6] Emerald Garment Manufacturing Corp., v. Court of Appeals, G.R. No. 100098, 29 December 1995.

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[7].

Considering that the coverage of the Respondent-Applicant's trademark application is broadly stated as "pharmaceutical preparations", it practically includes the goods on which NEUROBION is used. It is a likelihood therefore, that information, assessment, perception or impression about the goods bearing the mark NEUROBAY may unfairly be cast upon or attributed or confused with NEUROBION and/or the Opposer, and vice-versa.

The likelihood of confusion would subsist not only on the purchaser's of goods but on the origin thereof as held by the Supreme Court[8].

> 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 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.

The Respondent-applicant was given the opportunity to explain its side and to defend its trademark application. However, it failed and/or chose not to do so.

Accordingly, this Bureau finds and concludes 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. 4-2011-003240 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 05 February 2013.

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

/joanne

[7] American Wire and Cable Co. v. Director of Patents et.al. (31 SCRA 544) G.R. No. L-26557, 18 February 1970.
[8] Converse Rubber Corp. v. Universal Rubber Products, Inc. et.al. G.R. No. L-27906, 08 January 1987.