



MERCK KGaA,  
Opposer,

-versus-

ULTRAMED PHARMA INC.,  
Respondent- Applicant.

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}  
} IPC No. 14-2010-00055  
} Opposition to:  
} Appln. Serial No. 4-2009-001236  
} Date filed: 06 February 2009  
} TM: "ATOR-80"  
}  
}  
}

**NOTICE OF DECISION**

**BUCOY POBLADOR & ASSOCIATES**  
Counsel for the Opposer  
21<sup>st</sup> Floor, Chatham House  
Valero corner Rufino Street, Salcedo Village  
Makati City

**Atty. JORGE CESAR M. SANDIEGO**  
Counsel for the Respondent-Applicant  
15M Torre Venezia  
170 Sct. Santiago St.  
cor Timog Avenue, Quezon City

**GREETINGS:**

Please be informed that Decision No. 2013 - 83 dated May 20, 2013 ( copy enclosed) was promulgated in the above entitled case.

Taguig City, May 20, 2013.

For the Director:

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



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IPC No. 14-2010-00055  
 Opposition to:  
 Appln. Serial No. 4-2009-001236  
 Date Filed : 06 February 2009  
 Trademark : "ATOR-80"  
 Decision No. 2013 - 83

**DECISION**

MERCK KGaA ("Opposer"), a German corporation with business address at Frankfurter Strabe 250, Darmstadt, Germany, filed on 23 February 2010 an opposition to Trademark Application Serial No. 4-2009-001236. The application, filed by ULTRAMED PHARMA INC. ("Respondent-Applicant"), a Philippine corporation with address at 3<sup>rd</sup> Floor, 141 Scout de Guia Street, Kamuning, Quezon City, Philippines, on 06 February 2009, covers the trademark "ATOR- 80" for use on goods under Class 05<sup>1</sup>, specifically, pharmaceutical products, namely, anti hyperlipidaemic agents.<sup>2</sup>

The Opposer alleges the following:

"1. The mark 'ATOR-80' which Respondent-Applicant seeks to register so resembles Opposer's registered trademark 'AFOR' 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. Further, the trademark 'ATOR-80' is likewise confusingly similar to Opposer's 'AFOR' family of trademarks all of which cover pharmaceutical products and preparations classified under International Class 05, an inventory of which follows, viz.:

x x x

'2. The registration of the mark 'ATOR-80' in the name of Respondent-Applicant will violate Section 123.1 (d) of Republic Act No. 8293 ('Intellectual Property Code') which categorically provides that:

x x x

<sup>1</sup> The Nice Classification of goods and services is for registering trademark and service marks, based on a multilateral treaty administered by the WIPO, called the Nice Agreement Concerning the International Classification of Goods and Services for Registration of Marks concluded in 1957.

<sup>2</sup> The application was published in the Intellectual Property Office Official Gazette, officially released for circulation on 26 October 2009.

"3. Thus, any mark which is identical with a registered mark belonging to a different person or legal entity should be denied registration in respect of similar or related goods, or if the mark applied for registration nearly resembles such registered mark that confusion or deception in the mind of the buying public will likely ensue.

"4. Respondent-Applicant's use and registration of the mark 'ATOR-80' will diminish the distinctiveness and dilute the goodwill of Opposer's registered trademark 'AFOR' and its related marks falling under the 'AFOR' family of trademarks.

"In support of the instant opposition, Opposer will rely principally on and prove the following facts:

"1. Opposer is a German corporation with general partners engaged in the business of manufacturing and distributing pharmaceutical products and preparations classified under International Class 05 of the Nice Classification.

"2. Opposer is the registered owner in the Philippines of the trademark 'AFOR' as evidenced by Certificate of Trademark Registration No. 4-2008-014295 issued on 16 March 2009 covering pharmaceutical products and preparations under International Class 05. Opposer is likewise the registered owner and applicant of several other trademarks bearing the prefix 'AFOR' in the Philippines all of which cover pharmaceutical products and preparations classified under Class 05, supra.

"3. Opposer has adopted and has been in continuous and extensive commercial use of its trademark bearing the prefix 'AFOR'.

"4. Opposer's Philippine Trademark Registration No. 4-2008-014295 has not been abandoned and is currently in full force and effect. By virtue of Certificate of Trademark Registration No. 4-2008-014295, Opposer has acquired ownership over the mark 'AFOR' to the exclusion of all others.

"5. Opposer's aforementioned registered trademark 'AFOR' and the mark 'ATOR-80' that Respondent-Applicant seeks to register are practically identical in sound and appearance that they leave the same commercial impression upon the purchasing public.

"6. The mark 'ATOR-80' that Respondent-Applicant seeks to register is confusingly similar to Opposer's registered trademark 'AFOR' and is likely to cause confusion, mistake and deception to the public as to the source or origin of Respondent-Applicant's goods.

"7. Opposer has invested a tremendous amount of its resources in the promotion of its 'AFOR' trademark and its other marks belonging to its 'AFOR' family of trademarks as a result of which the said trademarks have gained popularity and repute in the Philippines. Thus, the use by, and registration in favour of, Respondent-Applicant of the confusingly similar mark 'ATOR-80' on its goods will enable it to unjustly benefit from Opposer's established reputation and goodwill.

"8. In view of the prior adoption, use and registration of the trademark 'AFOR' by the Opposer as well as its related trademarks, Respondent-Applicant is clearly not entitled to register the confusingly similar mark 'ATOR-80'.

"9. The registration of the trademark subject of the instant opposition will undoubtedly violate Opposer's rights and interests in its 'AFOR' and related marks,

cause confusion between Opposer's and Respondent-Applicant's businesses and products, and will most assuredly result in the dilution and loss of distinctiveness of Opposer's registered trademark 'AFOR' and related marks."

The Opposer's evidence consists of the following:

1. Exhibit "A"- Duly authorized and authenticated Affidavit executed by Dr. Friederike Rotsch and Mr. Thomas Zens;
2. Exhibit "B"- Affidavit executed by Ms. Monalita Maracha, Regulatory Affairs and Marketing Services Manager of Merck, Inc.;
3. Exhibit "C"- Certified True Copy of Certificate of Philippine Trademark Registration No. 4-2008-014295 issued on 16 March 2009 for the mark AFOR under International Class 05;
4. Exhibit "C-1"- Certified True Copy of Certificate of Philippine Trademark Registration No. 4-2006-003065 issued on 26 February 2007 for the mark AFORDEL under International Class 05;
5. Exhibit "C-2"- Certified True Copy of Certificate of Philippine Trademark Registration No. 4-2008-012407 issued on 29 December 2008 for the mark AFORSOL under International Class 05;
6. Exhibit "C-3"- Certified True Copy of Certificate of Philippine Trademark Registration No. 4-2008-012413 issued on 29 December 2008 for the mark AFORPEN under International Class 05;
7. Exhibit "C-4"- Certified True Copy of Certificate of Philippine Trademark Registration No. 4-2008-012410 issued on 29 December 2008 for the mark AFORLOS under International Class 05;
8. Exhibit "C-5"- Certified True Copy of Certificate of Philippine Trademark Registration No. 4-2008-012409 issued on 29 December 2008 for the mark AFORLOD under International Class 05;
9. Exhibit "C-6"- Certified True Copy of Certificate of Philippine Trademark Registration No. 4-2008-009620 issued on 17 November 2008 for the mark AFORGLIM under International Class 05;
10. Exhibit "C-7"- Certified True Copy of Certificate of Philippine Trademark Registration No. 4-2008-009947 issued on 20 October 2008 for the mark AFORBES under International Class 05;
11. Exhibit "C-8"- Certified True Copy of Certificate of Philippine Trademark Registration No. 4-2008-012397 issued on 29 December 2008 for the mark AFORNAP under International Class 05;
12. Exhibit "C-9"- Certified True Copy of Certificate of Philippine Trademark Registration No. 4-2009-001087 issued on 17 September 2009 for the mark AFOR-Afordability for Filipinos, our resolve" under International Class No. 5;
13. Exhibit "D" - Sample label/packaging of the mark AFORDEL in the Philippines;
14. Exhibit "D-1"- Sample label/packaging of the mark AFORBES in the Philippines;
15. Exhibit "D-2"- Sample label/packaging of the mark AFORGLIM in the Philippines;
16. Exhibit "D-3"- Sample brochure/material for the mark QUALITY AFORMEDS in Philippine commerce; and
17. Exhibit "E" - Publication of Respondent-Applicant's Trademark Application No. 4-2009-001237 for the mark ATOR-80 in the e-Gazette of IPO.

This Bureau issued and served upon the Respondent-Applicant a Notice to Answer on 05 March 2010. The Respondent-Applicant filed its Verified Answer on 15 April 2010 whereby it admitted the contents of the Application subject matter of the Opposition proceedings. It however denied the allegations in all of the paragraphs of the Opposition for lack of knowledge to form a belief of the truth thereof and/or being questions of law and not of facts and/or conclusions of law and/or facts. The following are presented as affirmative defense:

“2.1 The mark for the Respondent is ATOR-40 (sic) for the Respondent that contains Atorvastatin as the active ingredient and used for the control of cholesterol.

“2.2 On the other hand, the Opposer claims to have a family of marks taking root on the letters AFOR. An enumeration of this family of marks was made in the Opposition and the affidavit of their witnesses.

“2.2.1 However, it is very clear that the marks in the enumeration are not likely to deceive purchasers in view of the glaring differences of Opposer’s mark in relation to ATOR. Opposer’s mark is also used for pharmaceutical preparations with different active ingredients and/or is used for treatment of different types of ailments.

“2.3 Moreover, the goods involved in the competing marks are pharmaceutical preparations. The Supreme Court has established that there is almost no confusion specifically when these pharmaceutical products are dispensed by pharmacists and/or prescribed by physicians.

“2.4 Under the Generics Law, pharmaceutical products should be prescribed by highlighting the generic name of said product by with the trademark being optional.

“2.5 Furthermore, the labels of Respondent’s products belie any confusion as the manufacturer’ name and the name of the Respondent is written thereon. In Respondent’s products, the name of Respondent and the manufacturer are named thereby removing confusion as to origin.”

The Respondent-Applicant’s evidence consists of the following:

1. Exhibit “1” - Affidavit of Bob Cardinal; and,
2. Exhibit “2” - Sample Wrapper of Respondent-Applicant’s packaging.

Should the Respondent-Applicant be allowed to register the mark ATOR-80 in its favor?

In this regard, this Bureau takes judicial notice of its Decision No. 2010-59 in Inter Partes Case No. 14-2009-00277 entitled MERCK KGaA v. Ultramed Pharma, Inc. for the trademark “ATOR-20”, promulgated on 29 July 2010, and was rendered final and executory on 15 October 2010.

It is emphasized that 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 out 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>3</sup>

The Opposer anchors its opposition on Sec. 123.1 (d) of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines (“IP Code”), which provides that a mark shall not 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 reproduced below for comparison:

**AFOR**

Opposer’s Trademark

**ATOR-80**

Respondent-Applicant’s Trademark

The competing marks have identical letters “A”, “O” and “R”. But the difference in the second letters, letter “T” in the Opposer’s, and “F” with respect to the Respondent-Applicant’s, has rendered a visual and aural character on one mark that is distinct from the other. Pharmacists or sales clerks are unlikely to commit mistakes in dispensing the product the consumers intend to buy. Prescriptions, usually written in the long hand, would be clear on the pharmaceutical products because the letter “T” is written very differently from the letter “F”. Also, the letter “T” has a more pronounced but short sound while the letter “F” has a soft and longer resonance. The numerical element of “40” in the Respondent-Applicant’s trademark also accentuates the distinction between the competing marks.

While it appears that the evidence of the Opposer referring to Exhibit “C” which is a Certified True Copy of Philippine Trademark Registration No. 4-2008-014295 issued on 16 March 2009 for the mark AFOR under International Class 05 is indicated as “Cancelled” in the Intellectual Property Office Trademark Search<sup>4</sup>, it however shows an identical trademark

<sup>3</sup> Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 Nov. 1999, citing Etepha v. Dir. of Patents, supra, Gabriel v. Perez, 55 SCRA 406 (1974). See also Article 15, par. (1), Art. 16, par. 91, of the Trade related Aspect of Intellectual Property (TRIPS Agreement).

<sup>4</sup> Ipophl Trademark Search available at <http://onlineservices.ipophil.gov.ph/ipophilsearch/> (last accessed May 20, 2013).

“AFOR” of the Opposer MERCK KGaA, as registered on 24 May 2012 under File No. 42011013423 which includes class 05 of the Classification of Goods, which this Bureau takes cognizance via judicial notice.

Moreover, records show that while the Opposer’s and the Respondent-Applicant’s respective goods belong to Class No. 05, the Opposer’s trademark AFOR covers pharmaceutical products for treatment of diseases pertaining to animals, as against the Respondent-Applicant’s marks which are used for pharmaceutical products intended for humans.<sup>5</sup> The parties’ respective products, therefore, are of distinct nature and of different compositions, purposes and channels of trade.

It is highly improbable, as practical mind dictates, to confuse a medicine for human for that of animals, especially, for the reason that the parties’ respective drugs can be purchased in different stores. Thus, committing mistake in buying one thinking that what was purchased is the other, is nil. The situation is not the same as when two competing brands cater to or treat the same or related diseases. It is unlikely that the consumers will associate the Respondent-Applicant’s mark and product with the Opposer’s and vice-versa. As such, adverse effect on the reputation or goodwill of the Opposer’s mark, cannot be fairly inferred.

The foregoing notwithstanding this Bureau finds that ATOR-80 should not be registered.

It is stressed that an opposition proceeding is basically a review of the trademark application in question; succinctly, to determine whether the requirements for registrability under the law were met or complied with.

In this regard, Sec. 123.1, pars. (h) and (j), of the IP Code provides that a mark cannot be registered if it:

(h) Consists exclusively of signs that are generic for the goods or services that they seek to identify;

x x x

(j) Consists exclusively of signs or of 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 good or services.

Generic marks are common words that describe an entire class of 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

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<sup>5</sup> Anti-hyper cholesterol agents used for the treatment of hyperlipidemias or the condition of abnormally elevated levels of any or all lipie or liproteins in the blood available at [www.ykpharmacy.com/medicine/antihyperlipidaemic.htm](http://www.ykpharmacy.com/medicine/antihyperlipidaemic.htm) ; <http://en.wikipedia.org> ; [www.thefreedictionary.com](http://www.thefreedictionary.com)

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 products,” 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 an immediate idea of the ingredients, qualities or characteristics of the goods”, or if it clearly denotes what goods or services are provided in such a way that the consumers do not have to exercise powers of perception or imagination.

In this instance, the Respondent-Applicant’s trademark application states, among other things, the description of the mark as the: “Brand name to Atorvastatin Calcium 80 mg.” Obviously, ATOR 80 is derived from the generic name, Atorvastatin.

Moreover, the mark is descriptive. Apart from “ATOR” having been derived from a generic name, the number “80” forthwith conveys the quantity of dosage, that is “80 mg.”. That the mark is actually descriptive is shown by the fact that the labels of pharmaceutical products indicate both the brand/mark and the generic name. Thus, consumers encountering the Respondent-Applicant’s product readily see ATOR as a mere “contraction” of its generic name “Atorvastatin”, and “80” as the dosage indication.

The danger of allowing the registration of ATOR 80 should be considered in the light of ATOR 80 being confusingly similar to “ATORVASTATIN CALCIUM” or “ATORVASTATIN CALCIUM 80 mg”, regardless of whether these are used and indicted in the label as brands/marks or as generic names. If the mark is registered, the Respondent-Applicant is conferred a monopoly or exclusivity of use of the mark, thus giving it the right to prevent others from using an identical or a confusingly similar mark, and to sue for trademark infringement and/unfair competition against parties using an identical or a confusingly similar mark or name in their products. It is therefore, absurd that the Respondent-Applicant, assuming it is granted the trademark registration, would have the right to prevent others to use and indicate the generic name in their own pharmaceutical products.

**WHEREFORE**, the instant Opposition is hereby **SUSTAINED** on the grounds stated above. Let the file wrapper of Trademark Application No. 4-2009-001236 be returned together with a copy of this Decision to the Bureau of Trademark for information and appropriate action.

**SO ORDERED.**

Taguig City, 20 May 2013.

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