



NATRAPHARM, INC.,
Opposer,

-versus-

PHARMPARTNERS, INC.,
Respondent- Applicant.

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IPC No. 14-2010-00026
Opposition to:
Appln. Serial No. 4-2008-010565
Filing Date: 02 September 2008
TM: "NUTRAPHARM"

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NOTICE OF DECISION

FEDERIS & ASSOCIATES Law Offices

Counsel for the Opposer
Suite 2005, 88 Corporate Center
141 Valero St., Salcedo Village
Makati City

MARIA LUISA N. MARCELO

For Respondent-Applicant
3rd Floor, Dualan Building
Brookside Lane, Brgy. San Francisco
Gen. Trias, Cavite

GREETINGS:

Please be informed that Decision No. 2013 - 78 dated April 30, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, April 30, 2013.

For the Director:

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

CERTIFIED TRUE COPY

Sharon S. Alcantara
SHARON S. ALCANTARA
Records Officer II

Bureau of Legal Affairs, IPO



NATRAPHARM, INC.,
Opposer,

- versus -

PHARMPARTNERS, INC.,
Respondent-Applicant.

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IPC NO. 14 - 2010- 00026
Case Filed on: 22 January 2010

Opposition to:
Appln. Serial No. 42008010565
Date filed: 02 September 2008
TM: "NUTRAPHARM"

DECISION NO. 2013 - 78

DECISION

NATRAPHARM, INC.(Opposer) ¹ filed an opposition to Trademark Application No. 4-2008-010505. The application filed by PHARMPARTNERS, INC. (Respondent-Applicant) ², covers the mark "NUTRAPHARM," for services under Class 35 and 40 of the International Classification of Goods ³ particularly, "*To manufacture, repack, sell on wholesale, or distribute, import or export of drugs, medicines, pharmaceutical products, food, food supplements, food products, cosmetics, chemicals or raw materials devices and other goods.*" The Opposer's pertinent allegations are quoted as follows:

- "4. Based on the records, Respondent-Applicant filed on September 2, 2008, an application for registration of the trademark 'NUTRAPHARM' designated as Application Serial No. 4-2008-010565 for services in Class 35 and 40. The details of the Respondent-applicant's application were posted on the Electronic Gazette of the Intellectual Property Office, which was released for circulation on October 5, 2009.
- "5. Opposer timely filed a Motion for Extension of Time to File a Notice of Opposition requesting that it be granted an extension of thirty (30) days from November 4, 2009 within which to file a notice of opposition. Subsequent Motions for Extension of Time to File the Verified Notice

¹ A corporation organized and existing under the laws of the Philippines with business address at Km18 West Service Road, South Luzon Expressway, Paranaque City.

² A corporation organized and existing under the laws of the Philippines with business address at 3rd Floor, Dualan Building, Brookside Lane, Brgy. San Francisco, General Trias, Cavite.

³ *The Nice Classification of Goods and Services is for registering trademarks and service marks based on 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.*

of Opposition were thereafter filed and granted by this Honorable Office.

HISTORY AND NATURE OF BUSINESS OF OPPOSER

- “6. Opposer, Natrapharm, Inc. is engaged in marketing and distributing pharmaceutical products acquired through licensing and supply arrangements with national and international companies. Opposer’s products are in anti-infectives, antibiotics, anti-asthma, anti-allergy, and pediatrics segment.
- “7. Opposer is one of the largest national pharmaceutical companies (ethical segment) in the local industry. Opposer together with Patriot Pharmaceuticals is part of the Natrapharm Group, one of the fastest growing pharmaceutical organizations in the country.
- “8. Opposer was established in November 1990.
- “9. The continued growth of Opposer eventually led to the formation of Patriot Pharmaceuticals Corp. in 1995.
- “10. Opposer was initially conceived as a foray into the generic sector of the pharmaceutical industry while Patriot Pharmaceuticals Corp. focuses on hospital based products.
- “11. At present, Opposer has numerous pharmaceutical products marketed and distributed nationwide. The include ‘NATRAVOX’, ‘ZYNAPSE’, ‘MONTEMAX’, ‘ZOBRIXOL’, ‘HERACLENE’, ‘ZCURE’, ‘CURAZID’, ‘NATRICIN’, ‘FIXCOM’ and ‘KIDZ KIT.’ All are marketed and distributed nationwide.
- “12. More information about the Opposer, its products and its history are available at the website <http://www.natrapharm.com>. Visitors to this website include internet users and customers from all parts of the world including the Philippines. The said website is accessible at all times to all customers who purchase and patronize Opposer and its products. Printouts of the Opposer’s website shall be submitted by the undersigned counsel.

ARGUMENT

- “13. The subject mark NUTRAPHARM should not be allowed registration because it is confusingly similar to the NATRAVOX registered trademark of Opposer, and confusingly similar to the NATRAPHARM portion of the corporate name of Opposer.”

To support its claims, the Opposer submitted the following:

1. Affidavit of Christina Ravelo (Exhibit “A”);
2. Minutes of the Special Meeting of the Board of Directors (Exhibit “B”);
3. Affidavit of Atty. Amando Aumento Jr. (Exhibit “C”);
4. Certified True Copy of the Articles of Incorporation of Natrapharm, Inc. (Exhibit “D”);

5. Actual printout of the www.natrapharm.com website (Exhibit "E");
6. Actual brochures, flyers and marketing materials (Exhibit "F to F-7");
7. Actual list of marketing events and gatherings and the corresponding dates when held (Exhibit "G");
8. Actual photograph taken during marketing events and gathering of Natrapharm, Inc. (Exhibit "H to H-11");
9. Actual programs of the 2nd National Convention and 3rd Annual Meeting of the Philippine Society of Newborn Medicine held on February 1 to 3, 2009 and the 15th Annual Convention of the Community Pediatrics Society of the Philippines held on June 3 to 4, 2008. (Exhibit "I to I-1");
10. Attendance sheet of Forum 2 in "The 45th Annual Convention of the Philippine Pediatric Society, Inc. held on April 14-16, 2008 which event was likewise sponsored by the Opposer (Exhibit "J"); and
11. Certified True Copy of the Opposer's Audited Financial Statements (Exhibit "K").

This Bureau issued a Notice to Answer on 16 February 2010 and served a copy thereof upon the Respondent-Applicant on 4 May 2010. However, the Respondent-Applicant did not file an answer to the Opposition. In view thereof, an Order dated 28 September 2010 was issued declaring the Respondent-Applicant to have waived its right to submit an answer. Consequently, this case was submitted for Decision based on the Verified Notice of Opposition and evidence submitted by the Opposer.

The issue to resolve in the instant case is whether the Respondent -Applicant should be allowed to register the trademark "NUTRAPHARM."

The Opposer is relying primarily on two grounds: first, that the trademark "NUTRAPHARM" is confusingly similar to "NATRAVOX" which is a registered trademark owned by Opposer; and second, that "NUTRAPHARM" is confusingly similar to Opposer's trade name "NATRAPHARM."

On the first ground, this Bureau finds that "NUTRAPHARM" is not confusingly similar to the trademark "NATRAVOX." There are substantial differences in spelling, pronunciation and presentation between the two marks. These differences are so striking that there is no way for the public to confuse Respondent-Applicant's products to the Opposer's NATRAVOX.

However, this Bureau finds merit on the second ground cited by the Opposer, that is, that the trademark "NUTRAPHARM" is confusingly similar to the trade name "NATRAPHARM" of the Opposer.

Sec 165.2 of the Intellectual Property Code expressly provides:

"Sec. 165.2 (a) Notwithstanding any laws or regulations providing for any obligation to register trade names, such names shall be protected, even prior to or without registration, against any unlawful act committed by third parties.

(b) In particular, any subsequent use of the trade name by a third party whether as a trade name or a mark or collective mark, or any such use of a similar trade name or mark, likely to mislead the public shall be deemed unlawful."
(Underscoring Supplied)

In *Converse Rubber Corporation vs. Universal Rubber Products*⁴, the Supreme Court defined trade name as any individual name or surname, firm name, device or word used by manufacturers, industrialists, merchants and others to identify their businesses, vocations, or occupations. In this case, the Opposer incorporated its company with the corporate name "NATRAPHARM, INC" as early as November of 1990.⁵ It has been using the said trade name in dealing with government agencies like Intellectual Property Office of the Philippines, Bureau of Food and Drugs (BFAD) and Securities and Exchange Commission (SEC) ever since.⁶ Also, the Opposer has shown that it has been continuously using the trade name to identify its products in their advertisements to the public.⁷ Definitely, the Opposer already earned a good will on its trade name from the consuming public.

A simple perusal of Respondent – Applicant's trademark "NUTRAPHARM" will readily show that it is essentially the same with the Opposer's trade name "NATRAPHARM." In fact, the only difference is a single vowel found on the first part of the two words. Due to the marginal difference of the two marks, there is really a high probability that consuming public may associate the Respondent-Applicant's products to that of the Opposer's. Moreover, the Opposer has sufficiently establish by evidence that it has been using the trade name "NATRAPHARM" since 1990 long before the Respondent-Applicant used or applied for registration of the mark "NUTRAPHARM."

Verily, the adoption or appropriation of a mark which is already a trade name belonging and used by another could likely result in the public being misled as to the goods on which the mark is used and the origins thereof. This is the evil sought to be prevented by Section 165 of the IP Code.

It is emphasized that the function of a trademark is to point out distinctly the origin or ownership of the goods to which it is applied; 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.⁸ Thus, when the trademark being applied for is confusingly similar to a trade name already being used by a different corporation and would likely result to confusion on the part of buying public as to the origin of the goods, the application of the said trademark must not be allowed.

⁴ G.R. No. L-27906, 8 January 1987

⁵ Exhibit D

⁶ Exhibit "F to F7"

⁷ Exhibit E, F, H, I and J

⁸ *Pribhdas J. Mirpuri vs. Court of Appeals*, G.R. No. 114508, November 19, 1999

The protection to trade names has long been settled by the Supreme Court in U.S. v. Kyburz,⁹ to wit:

“Trade names are protected against use or imitation upon the ground of unfair competition, and an examination of the statute clearly indicates its purpose to protect the manufacturer or dealer as well as the public.

The rule which protects against unfair competition is primarily for the protection of the party against whom such competition is directed, and only incidentally for the protection of the public. In some of the case language is used which would suggest that the public is under the protection of the court, but in fact the liability of the article to mislead the public from being misled, except in so far as it is necessary to protect the owner of a business from its fraudulent invasion by others. If what is done tends to mislead the public, it naturally diverts customers from the complaint, to the injury of his business. The prohibition is upon so acting as to beguile the public, and thus mislead an intending purchaser into buying the goods of one person under the belief that he is buying those of a rival. (Paul on Trademarks, sec. 215.) x x x”

The Supreme Court further explained the importance of protecting trade names, to wit:

“The purpose of such suit is to protect its reputation, corporate name and good will which has been established through the natural development of its trade for a long period of years, in the doing of which it does not seek to enforce any legal or contract rights arising from or growing out of any business which it has transacted in the Philippine Islands. The right to the use of the corporate or trade name is a property right, a right in rem, which it may assert and protect in any of the courts of the world – even in jurisdictions where it does not transact business – just the same as it may protect its tangible property, real or personal against trespass or conversion.”¹⁰

⁹ G.R. No. L9458, 24 November 1914

¹⁰ General Garments Corporation vs. The Director of Patent and Puritan Sportswear, G.R. No. L 24295, 30 September 1971

WHEREFORE, premises considered, the instant opposition to Trademark Application Serial No. 42008010565 is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 42008010565 be returned together with a copy of this **DECISION** to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Taguig City, 30 April 2013


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