



NATRAPHARM, INC.,
Opposer,

-versus-

THE GENERICS PHARMACY, INC.,
Respondent-Applicant.

X-----X

IPC No. 14-2011-00421
Opposition to:
Appln. Serial No. 4-2011-000693
Date Filed: 21 January 2011
TM: "ZYNAPHAR"

NOTICE OF DECISION

FEDERIS & ASSOCIATES LAW OFFICES

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THE GENERICS PHARMACY, INC.

c/o ALETA C. TAÑEDO

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GREETINGS:

Please be informed that Decision No. 2013 - 161 dated August 06, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, August 06, 2013.

For the Director:

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

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE

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NATRAPHARM, INC.,
Opposer,

IPC No. 14-2011-00421
Case Filed: 06 September 2011

-versus-

Opposition to:
Appln. Serial No.: 4-2011-000693
Date Filed: 21 January 2011

THE GENERICS PHARMACY, INC.,
Respondent.

TM: "ZYNAPHAR"

X-----X

Decision No. 2013 - 161

DECISION

NATRAPHARM, INC., ("Opposer")¹ filed on 06 September 2011 an opposition to Trademark Application Serial No. 4-2011-000693. The application, filed by THE GENERICS PHARMACY, INC. ("Respondent-Applicant")², covers the mark "ZYNAPHAR" for use on pharmaceutical product for the treatment of Anti tuberculosis under Class 05 of the International Classification of Goods and Services³.

The Opposer alleges among other things the following:

- "1. Opposer is the registered owner of the trademark ZYNAPSE for use on pharmaceutical medicine for human use and that the Respondent-Applicant's mark ZYNAPHAR is identical to or confusingly similar to the opposer's mark, hence registration of the Respondent-Applicant's mark is proscribed under Sec. 123.1 (d) of R.A. No. 8293, also known as the Intellectual Property Code of the Philippines.
- "2 The used and registration of the Respondent-Applicant's mark will cause confusion, mistake and deception upon the consuming public and mislead them as to the origin, nature, quality and characteristics of the goods on which it is affixed pursuant to 123.1 (q) of the IP Code.

¹ A corporation organized and existing under the laws of the Philippines with business address at Km. 18 West Service Road, South Luzon Expressway, Paranaque City.

² A corporation organized and existing under the laws of the Philippines, with business address at 459 Quezon Avenue, Quezon 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.

The Opposer's evidence consists of the following:

1. Exhibit "A" - Affidavit of Amando S. Aumento, Jr;
2. Exhibit "B" - Corporate Secretary's Certificate;
3. Exhibit "C" - Certified true copy of the Certificate of Trademark Registration No. 4-2007-005596;
4. Exhibit "D" - Handbook on Pharmacovigilance.;
5. Exhibit "E" - Affidavit of Christina Ravelo, Vice-President for Marketing of Natrapharm, Inc;
6. Exhibit "F" - Certified true copy of the Articles of Incorporation of Natrapharm, Inc;
7. Exhibit "G" - Minutes of the Board Meeting;
8. Exhibit "H" - Printout of <http://www.natrapharm.com>;
9. Exhibit "I" - A certified true copy of the Certificate of Registration No. 4-2007-005596 covering the mark ZYNAPSE;
10. Exhibits "J" to "J-4" - Certified true copies of certificates of Product Registrations issued by the Bureau of Food and Drug now known as Food and Drug Authority;
11. Exhibits "K" to "K-4" - Samples of each of the ZYNAPSE variants;
12. Exhibits "K-5" to "K-8" - Actual sales receipts covering the purchase of ZYNAPSE products;
13. Exhibits "L" to "L-9" - Actual marketing and advertising materials for ZYNAPSE;
14. Exhibit "M" - Actual list of some of marketing events and gatherings and the corresponding dates when held;
15. Exhibit "M-1" to "M-2" - Actual photographs taken during marketing events and gatherings of Natrapharm, Inc;
16. Exhibit "N" - Places and establishments in the Philippines where ZYNAPSE is being sold;
17. Exhibit "O" - A database printout of the sales of ZYNAPSE nationwide for 2008; and
18. Exhibit "P" - Certified true copy of Opposer's Audited Financial Statement.

This Bureau issued a Notice to Answer and served upon the Respondent-Applicant which was duly received on 10 October 2011. However, Respondent-Applicant did not file its Verified Answer, hence this case is considered submitted for Decision based on the opposition and evidence submitted by the Opposer.

Should the Respondent-Applicant's 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 the 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 substitution and sale of an inferior and different article as his products.⁴

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 and 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 21 January 2011, the Opposer has already an existing trademark registration for the mark ZYNAPSE under Reg. No. 4-2007-005596 issued on 24 September 2007 for use on a pharmaceutical medicine for human use under Class 05. Because the Opposer's trademark registration is broadly stated as "pharmaceutical medicine for human use", it necessarily includes medicines or pharmaceutical products that deal with tuberculosis or related diseases.

But are the competing marks, as shown below, identical or similar or resemble each other such that confusion, mistake or deception is likely to occur?

ZYNAPSE

Opposer's Mark

ZYNAPHAR

Respondent-Applicant's Mark

What is common between the marks is that both of them start with the letters or syllables "ZYNAP". This is the part of the marks that draw the eyes and ears. The only difference between the competing marks is in the last syllables "SE" for the Opposer and "HAR" for the Respondent-Applicant. However, this is insignificant and insufficient to avoid the likelihood of confusion.

It is likely, therefore, that the consumers will confuse one party's product with that of the other. Moreover, the consumers will have the impression that these products originate from a single source or the origin thereof are connected or associated with one another. The likelihood of confusion therefore, would even subsist not only on the purchaser's perception of the goods but on the origin thereof as held by the Supreme Court⁵.

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

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

⁵ Converse Rubber Corporation v. Universal Rubber Products, Inc., et.al. G.R. No. L-27906, 08 January 1987.

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.

It is stressed that the laws on Trademarks and Tradenames is based on the principle of business integrity and common justice. This law, both in letter and spirit is laid upon the premise that, while it encourages fair trade in every way and aims to foster, and not to hamper competition, no one especially a trader, is justified in damaging or jeopardizing others business by fraud, deceit, trickery or unfair methods of any sort. This necessarily precludes the trading by one dealer upon the good name and reputation built by another⁶.

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, the Respondent-Applicant's trademark application is proscribed by Sec. 123.1 (d) of R.A. No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code").

WHEREFORE, premises considered the opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2011-000693 be returned, together with a copy of this Decision to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 06 August 2013.


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

/joanne

⁶ See *Baltimore Bedding Corp. v. Moses*, 182 and 229, 34A (2d) 338.