



NATRAPHARM, INC.,
Opposer,

-versus-

2 WORLD TRADERS SUBIC, INC.,
Respondent-Applicant.

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} IPC No. 14-2011-00332
}
} Opposition to:
} Appln. Serial No. 4-2010-005816
} Date Filed: 31 May 2010
} Trademark: "ZINAF"
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}
}
}
}

NOTICE OF DECISION

FEDERIS & ASSOCIATES LAW OFFICES

Counsel for the Opposer
2005 88 Corporate Center
141 Valero cor. Sedeno Sts.
Salcedo Village, Makati City

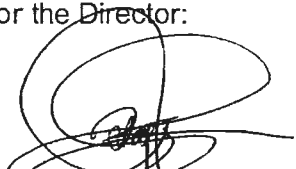
2 WORLD TRADERS SUBIC, INC.
c/o MARIA CARMELA A. BARREBO
For Respondent-Applicant
8-A Old Stable, Canlubang, Laguna

GREETINGS:

Please be informed that Decision No. 2012 – 168 dated September 10, 2012 (copy enclosed) was promulgated in the above entitled case.

Taguig City, September 10, 2012.

For the Director:


Atty. PAUSTO SAPAK
Hearing Officer
Bureau of Legal Affairs

CERTIFIED TRUE COPY
Sharon S. Alcantara
SHARON S. ALCANTARA
Records Officer II
Bureau of Legal Affairs, IPO



NATRAPHARM, INC.,
Opposer,

IPC No. 14-2011-00332
Opposition to:

-versus -

Appln. Serial No. 4-2010-005816
(Filing Date: 31 May 2010)
TM: "ZINAF"

² WORLD TRADERS SUBIC INC.,
Respondent-Applicant.

X-----X

Decision No. 2012- 168

DECISION

NATRAPHARM, INC. ("Opposer")¹ filed on 06 September 2011 an opposition to Trademark Application Serial No. 4-2010-005816. The application, filed by ² WORLD TRADERS SUBIC, INC. ("Respondent-Applicant")², covers the mark "ZINAF" for use on "*pharmaceuticals as powder for injection*" under Class 5 of the International Classification of goods.³

The Opposer alleges, among other things, that it is the registered owner of the trademark "ZYNAPSE" under Reg. No. 4-2007-005596 registered on 24 September 2007 which covers "*pharmaceutical medicine for human use particularly those indicated for cerebrovascular disease or stroke, and head injuries*". According to the Opposer, the use and registration of ZINAF in favor of the Respondent-Applicant will cause confusion, mistake and deception upon the consuming public and mislead them as to origin, nature and characteristics of the goods on which is affixed.

Aside from the Verified Notice of Opposition, the Opposer submitted as evidence the affidavit of Amando S. Aumento, Jr., its Corporate Secretary's Certificate, certified copy of Cert. of Trademark Reg. No. 4-2007-005596, the affidavit of its Vice-President for Marketing Christina Ravelo, certified true copy of its Articles of Incorporation, minutes of its Board Meeting, printout of the webpage of its website (www.natrapharm.com), certified copies of Certificate of Product Registration issued by the Bureau of Food and Drug⁴, sample of each of the ZYNAPSE variants, actual sales receipts covering the purchase of ZYNAPSE products, actual marketing and advertising materials for ZYNAPSE, actual list of some of marketing events and gatherings and the corresponding dates, actual photographs taken during marketing events and gatherings, places and establishments in the Philippines where ZYNAPSE is being sold,

- 1 Is a corporation duly organized and existing under the laws of the Philippines, with business address at Km. 18 West Service Road, South Luzon Expressway, Parañaque City.
- 2 Is likewise a corporation organized and existing under the laws of the Philippines, with business address at Unit J. Anglo Asia Building, Comment Street, Subic Bay Industrial Park, Freeport Zone, Olongapo 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.
- 4 Now known as the Food and Drug Authority.

a database printout of the sales of ZYNAPSE nationwide for 2008, and certified true copy of Opposer's Audited Financial Statement.⁵

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 07 March 2012. However, the Respondent-Applicant did not file an Answer.

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

It is emphasized that the essence of trademark registration is to give protection to the owners of trademark. The function of the 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 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

In this regard, Sec. 123.1(d) of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code") provides that a mark shall not 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. Corollarily, Sec. 147 of the IP Code provides:

The owner of a registered mark shall have the exclusive right to prevent all parties not having the owner's consent from using in the course of trade identical or similar to those in respect of which the trademark is registered where such use would result in likelihood of confusion.

Records show that at the time the Respondent-Applicant filed its Trademark Application on May 2010 the Opposer has an existing trademark registration for the mark ZYNAPSE (Cert. of Reg. No. 04-2007-005596). The registration, issued on 24 September 2007, covers "*Pharmaceutical medicine for human use*" under Class 5. These goods are closely related to those indicated in the Respondent-Applicant's application namely "*Pharmaceuticals as powder for injection*" also under Class 5.

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

⁵ Marked as Exhibits "A" to "P", inclusive.

⁶ *Pribhdas J. Merpuri v. Court of Appeals*, G.R. No. 114508, 19 Nov. 1999.

ZYNAPSE

ZINAF

Opposer's mark

Respondent-Applicant's mark

In the instant case, the subject marks may differ in spelling but they sound practically the same. "ZY" is most likely to be pronounced as "ZI", while the "hissing" sound of "NAPSE" is almost indistinguishable from "NAF". Trademarks are designed not only for the consumption of the eyes, but also to appeal to the other senses, particularly, the faculty of hearing. Thus, when one talks about the Opposer's trademark or conveys information thereon, what reverberates is the sound made in pronouncing it. The same sound is practically replicated when one pronounces the Respondent-Applicant's mark.

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 other⁷. Colorable imitation does not mean such similitude as amounts to identify, 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 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 the genuine article⁸.

Succinctly, because the Respondent-Applicant will use or uses the mark ZINAF on goods that are similar and/or closely related to those covered by the Opposer's registered trademark, the changes in the spelling did not diminish the likelihood of the occurrence of mistake, confusion, or even deception. There is the likelihood that information, assessment, perception or impression about ZINAF products delivered and conveyed through words and sounds and received by the ears may unfairly cast upon or attributed to the ZYNAPSE products and the Opposer, and *vice-versa*.

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

7 See *Societe Des Produits Nestle , SA v. Court of Appeals*, G.R. No.112012, 4 April 2001, 356 SCRA 207, 217

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

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 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 file wrapper of Trademark Application No. 4-2010-005816 be returned, together with a copy of this Decision, to the Bureau of Trademark for information and appropriate action.

SO ORDERED.

Taguig City, 10 September 2012.


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

⁹ See *American Wire and Cable Co. v. Director of Patents et al.*, (31 SCRA 544) G.R. No. L-26557, 18 Feb. 1970.

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