



NOVARTIS AG,
Opposer,

-versus-

CHEN XI YING,
Respondent- Applicant.

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}
} IPC No. 14-2009-00162
} Opposition to:
} Appln. Serial No. 4-2008-010671
} (Filing Date: 03 September 2008)
} TM: "BENEFIT & DESIGN"

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2014 - 145 dated May 23, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, May 23, 2014.

For the Director:

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



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IPC NO. 14-2009-00162

Opposition to:

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(Filing Date: 03 September 2008)

Trademark: **BENEFIT & DESIGN**

Decision No. 2014- 145

DECISION

NOVARTIS AG (“Opposer”)¹ filed an opposition to Trademark Application Serial No. 4-2008-010671. The application, filed by CHEN XI YING (Respondent-Applicant)², covers the mark “BENEFIT & DESIGN”, for use on “*Food supplement, garlic oil, glutathione, vitamins, alternative Chinese traditional medicine, alternative Asia traditional medicine, herbal tea, herbal granule, dietary supplements, herbal supplements, herbal products, organic health products, plant extracts products, esters for pharmaceutical purposes, pharmaceutical products (not intended for pets) namely, medical herbal extracts in the form of tablets, capsules, soft gel, liquid concentrates, juice, powders and crystals, dietetic foods for medical purposes, vitamin-containing and mineral-containing food supplements, dried herbs and herbal extracts for medical purposes. Chinese patent medicine and health product, herbal dietary supplement, external plaster and medicated oil and embrocation, menthol cone all in the form of ointment, Chinese medicines, cough syrups, mixtures, medicines, lozenges, pharmaceutical preparations for cough and cold, pharmaceuticals for treatment of insomnia, backaches, restlessness, lung trouble, tuberculosis, kidney trouble, gynecological diseases, skin diseases, rhinitis, tracheitis, pneumonia, asthma, esophagitis, enteritis, hepatitis, cardiovascular diseases, rheumatic arthritis, anemia, neurasthenia, apoplexy, heat stroke, cancer, influenza, cough, fever, rubella, poliomyelitis, dysentery, malaria, tonsillitis, laryngitis, pharyngitis, trachoma, conjunctivitis, headache, sprain, trauma, bruise, eczema, dermatitis, duodenal ulcer, gulinggao, herbal jelly that is good for nourishing skin and clearing heat, resolving blood toxin*” under Class 05; “*Food, health food beverages, organic food and beverages, functional food/nutraceuticals, confectionery (candy), herbal candy, tea-based beverages, red ginseng tea, honey bee products, lozenges, (confectionery), coffee namely Lingzhi coffee, harsmer and edible birds nest, ejiao, buzue koufuye, tea, namely China green tea, light slim tea, slimming tea, sugar reduction tea, juice, run tong chang qing tea, dark plum, clearing heat drinks, gulinggao drinks, herbal drinks, chrysanthemum tea*” under class 30; “*drinks, glutathione products namely, non-alcoholic beverages, fruit drinks and fruit juices, non-alcoholic beverages, fruit drinks, fruit juices, non-alcoholic beverages with tea, slimming products, food supplement, multi-vitamin fruit juice beverages (not for medical use), non-alcoholic low calorie content drinks (other than for medical use), pastilles for effervescing beverages, syrups, and other preparations for making beverages, softdrinks, clearing heat drinks, gulinggao drinks, herbal drinks*” under class 32; “*Import, export, wholesale, distribution, retails services (through physical stores, via telecommunications and through the world wide web*” under class 35 and “*Physical therapy services, beauty salon services, skin care and beauty treatment, massage services, public baths for hygiene services, services of hairdressers, services of beauty parlours, selection of cosmetics on behalf of*”

¹ A corporation duly organized and existing under the laws of Switzerland with address at 4002 basel, Switzerland

² Filipino citizen with address at 29A Lec Tower, Gandara St., Binondo, Manila

individuals, provision on information and advisory and consultancy services relating to the use of skin care, beauty treatment, cosmetic products, pharmaceutical and medical services via internet, by telecommunications devices or other electronic means, provisions of sauna facilities, provision of solarium and sun deck facilities, body fitness services, fat eradication services, weight reduction services, hair treatment services, health care services, make up services” under class 44 of the International Classification of Goods and Services³.

The Opposer relies on the following grounds in support of its Opposition:

“1. The trademark ‘BENEFIT and Design’ being applied by Respondent-Applicant is confusingly similar to Opposer’s trademark BENEFIBER, as to be likely, when applied to or used in connection with the goods of Respondent-Applicant, to cause confusion, mistake and deception on the part of the purchasing public.

“2. The registration of the trademark BENEFIT and Design in the name of the Respondent-Applicant will violate Section 123.1, subparagraph (d) of Republic Act 8293, otherwise known as the Intellectual Property Code of the Philippines, to wit:

Sec. 123.1. Registrability. A mark cannot 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.

“3. The registration of the trademark BENEFIT and Design in the name of the Respondent-Applicant is contrary to Section 123.1, subparagraph (e) of the Intellectual Property Code of the Philippines, as follows:

Sec. 123. Registrability. - 123.1. A mark cannot be registered if it:

x x x

(e) Is identical with, or confusingly similar to, or constitutes a translation of a mark with which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: *Provided*, That in determining whether a mark is well-known, account shall be taken of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;

“4. The registration of the trademark BENEFIT and Design in the name of the Respondent-Applicant will also violate Section 6bis of the Paris Convention for the Protection of Industrial Property, to which the Philippines is a party having acceded to as early as September 27, 1965, as follows:

x x x

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.

"5. The registration and use by Respondent-Applicant of the trademark BENEFIT and Design will diminish the distinctiveness and dilute the goodwill of Opposer's trademark BENEFIBER.

"6. The registration of the trademark BENEFIT and Design in the name of the Respondent-Applicant is contrary to other provisions of the Intellectual Property Code of the Philippines."

According to the Opposer:

"1. In the Philippines, as early as 1995, Opposer's predecessor Sandoz AG filed its trademark application for the mark BENEFIBER. In fact, on November 7, 2001, Opposer's predecessor Sandoz AG was issued its Certificate of Registration No. 4-1995-106045.

"2. Opposer re-filed the mark BENEFIBER for registration as follows:

Trademark	: BENEFIBER
Applicant	: Novartis AG
Appln. No.	: 4-2007-007902
Date filed	: July 24, 2007
Goods	: Pharmaceutical, veterinary and sanitary preparations, Dietetic substances adapted for medical use, food for babies, Plasters, materials for dressings, material for stopping teeth, dental wax, Disinfectants, Preparations for destroying vermin, fungicides, herbicides
Class	: 5

"3. The foregoing will show that Opposer's mark BENEFIBER in class 5 was applied for as early as 1995 and was subsequently issued its Certificate of Registration No. 4-1995-106045 in November 7, 1995, and was again applied for registration in 2007. In both cases, Opposer's mark BENEFIBER was filed and registered much earlier than Respondent-Applicant's application for registration of the mark BENEFIT and Design on September 3, 2008. Hence, Opposer's prior registration and prior application for registration of its mark will bar the registration of Respondent-Applicant's confusingly similar mark.

"4. The pertinent provision of law which prohibits the registration of a mark which is identical or confusingly similar with a mark earlier filed is Section 123.1 (d) of the Intellectual Property Code of the Philippines, to wit:

xxx

"5. Opposer Novartis AG has likewise caused the extensive promotion, advertising and marketing of its products bearing the mark BENEFIBER worldwide.

"6. In the Philippines, as early as October 2007, Opposer Novartis AG has already laid a business plan with respect to the mark BENEFIBER."

The Opposer submitted as evidence the following:

1. copy of Certificate of Registration No. 4-1995-106045 issued on 23 July 2001 for the mark "BENEFIBER";
2. brochures, promotional materials and print advertisements of BENEFIBER;
3. copy of Novartis AG's business plan for BENEFIBER;

4. copies of Certificates of Registration from Japan and European Union for the mark BENEFIBER;
5. copy of Portfolio of the mark BENEFIBER; and
6. notarized and authenticated Affidavit testimony of Mary F. Leheny and Beth M. Nussbaum.⁴

This Bureau served upon the Respondent-Applicant a "Notice to Answer" on 28 July 2009. The Respondent-Applicant, however, did not file an Answer. Thus, the Hearing Officer issued on 5 January 2011 Order No. 2011-002 declaring the Respondent-Applicant in default.

Should the Respondent-Applicant be allowed to register the trademark BENEFIT AND DESIGN?

The records show that when the Respondent-Applicant filed its application on 3 September 2008, the Opposer already has an existing registration for the trademark BENEFIBER⁵ issued on 23 July 2001 covering goods under Class 05 namely, "*dietetic substances for medical use, dietetic and slimming foodstuffs designated for clinical nutrition, food for babies*". The Respondent-Applicant uses its mark on goods under classes 5 and 32, that are similar or closely related to the Opposer's, particularly, dietary supplements, slimming products, that flow through the same channels of trade. *In Mighty Corporation and La Campana Fabrica de Tabaco, Inc. v. E. & J. Gallo Winery and the Andresons Group, Inc.*⁶, the Supreme Court held:

"In resolving whether goods are related, several factors come into play:

- (a) the business (and its location) to which the goods belong
- (b) the class of product to which the goods belong
- (c) the product's quality, quantity, or size, including the nature of the package, wrapper or container
- (d) the nature and cost of the articles
- (e) the descriptive properties, physical attributes or essential characteristics with reference to their form, composition, texture or quality
- (f) the purpose of the goods
- (g) whether the article is bought for immediate consumption, 100 that is, day-to-day household items
- (h) the fields of manufacture
- (i) the conditions under which the article is usually purchased and
- (j) the channels of trade through which the goods flow, how they are distributed, marketed, displayed and sold."

But are the competing marks, depicted below resemble each other such that confusion, even deception, is likely to occur?

BENEFIBER

Opposer's mark



Respondent-Applicant's mark

⁴ Exhibits "A" to "G" inclusive of sub-markings.

⁵ Annex "A".

⁶ G.R. 154342, 14 July 2004.

Notwithstanding the differences between the font styles, the marks are confusingly similar. The Respondent-Applicant only substituted the letter "T" for the letters/syllables "BER" in the mark BENEFIBER. Meanwhile, the umbrella or mushroom-like figures above the word BENEFIT are mere embellishments or ornaments. One glance at the mark applied for registration by the Respondent-Applicant and the eyes are drawn or fixated at the word BENEFIT. Moreover, the "design" is of no consequence as to sound.

BENEFIBER is an invented word and this Bureau finds that it is not descriptive of the goods on which it is used as a trademark. Thus, it is highly distinctive as far as the goods on which it is used, namely: "*Pharmaceutical, veterinary and sanitary preparations, Dietetic substances adapted for medical use, food for babies, Plasters, materials for dressings, material for stopping teeth, dental wax, Disinfectants, Preparations for destroying vermin, fungicides, herbicides.*" Succinctly, because the Respondent-Applicant's trademark application indicates goods that are similar or closely related to those covered by the Opposer's trademark registration, it is likely that the consumers will have the impression that these goods originate from a single source or origin. The Opposer's goods, "*Pharmaceutical, veterinary and sanitary preparations, Dietetic substances adapted for medical use, food for babies*", are similar and/or closely related to the goods as appearing in the Respondent-Applicant's trademark application, to wit:

1. "*Food supplement, garlic oil, glutathione, vitamins, alternative Chinese traditional medicine, alternative Asia traditional medicine, herbal tea, herbal granule, dietary supplements, herbal supplements, herbal products, organic health products, plant extracts products, esters for pharmaceutical purposes, pharmaceutical products (not intended for pets) namely, medical herbal extracts in the form of tablets, capsules, soft gel, liquid concentrates, juice, powders and crystals, dietetic foods for medical purposes, vitamin-containing and mineral-containing food supplements, dried herbs and herbal extracts for medical purposes. Chinese patent medicine and health product, herbal dietary supplement, external plaster and medicated oil and embrocation, menthol cone all in the form of ointment, Chinese medicines, cough syrups, mixtures, medicines, lozenges, pharmaceutical preparations for cough and cold, pharmaceuticals for treatment of insomnia, backaches, restlessness, lung trouble, tuberculosis, kidney trouble, gynecological diseases, skin diseases, rhinitis, tracheitis, pneumonia, asthma, esophagitis, enteritis, hepatitis, cardiovascular diseases, rheumatic arthritis, anemia, neurasthenia, apoplexy, heat stroke, cancer, influenza, cough, fever, rubella, poliomyelitis, dysentery, malaria, tonsillitis, laryngitis, pharyngitis, trachoma, conjunctivitis, headache, sprain, trauma, bruise, eczema, dermatitis, duodenal ulcer, gulinggao, herbal jelly that is good for nourishing skin and clearing heat, resolving blood toxin*";

2. "*Food, health food beverages, organic food and beverages, functional food/nutraceuticals, confectionery (candy), herbal candy, tea-based beverages, red ginseng tea, honey bee products, lozenges, (confectionery), coffee namely Lingzhi coffee, harsmer and edible birds nest, ejiao, buzue koufuye, tea, namely China green tea, light slim tea, slimming tea, ssugar reduction tea, juice, run tong chang qing tea, dark plum, clearing heat drinks, gulinggao drinks, herbal drinks, chrysanthemum tea*"; and

3. "*Drinks, glutathione products namely, non-alcoholic beverages, fruit drinks and fruit juices, non-alcoholic beverages, fruit drinks, fruit juices, non-alcoholic beverages with tea, slimming products, food supplement, multi-vitamin fruit juice beverages (not for medical use), non-alcoholic low calorie content drinks (other than for medical use), pastilies for effervescing beverages, syrups, and other preparations for making beverages, softdrinks, clearing heat drinks, gulinggao drinks, herbal drinks*";

The confusion or mistake would subsist not only the purchaser's perception of goods but the origin thereof as held by the Supreme Court.⁷

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 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 product.⁸ The mark applied for registration by the Respondent-Applicant would not serve this function.

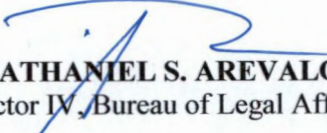
In fact, this Bureau taking cognizance of the contents of the Trademark Registry via judicial notice, has observed that there are three registrations for the mark BENEFIT belonging to another proprietor which were already existing at the time of the filing of the Respondent-Applicant's trademark application. These registrations, No. 4-1999-004945 issued on 21 January 2006, No. 4-2007-006431 issued on 24 December 2007, and No.4-1999-002548 issued on 08 June 2006, cover goods, specifically cosmetics and beauty products, which are obviously similar and/or closely related to other goods/services indicated in the Respondent-Applicant's Trademark application, to wit:

“Physical therapy services, beauty salon services, skin care and beauty treatment, massage services, public baths for hygiene services, services of hairdressers, services of beauty parlours, selection of cosmetics on behalf of individuals, provision on information and advisory and consultancy services relating to the use of skin care, beauty treatment, cosmetic products, pharmaceutical and medical services via internet, by telecommunications devices or other electronic means, provisions of sauna facilities, provision of solarium and sun deck facilities, body fitness services, fat eradication services, weight reduction services, hair treatment services, health care services, make up services”.

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application No. 4-2008-010671 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 23 May 2014.


NATHANIEL S. AREVALO
Director IV, Bureau of Legal Affairs

⁷ *Converse Rubber Corp. v. Universal Rubber Products, Inc., et. al.*, G. R. No. L-27906, 08 January 1987.

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