NOVARTIS AG, Opposer, **-versus-** **ALKEM LABORATORIES, LTD.,** Respondent-Applicant.	} } } } } } } } }	**IPC No. 14-2009-00271** Opposition to: Appln. Serial No. 4-2009-001547 Date filed: 13 February 2009 **TM: "TAXIM O"**

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NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2014 - 01 dated January 3, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, January 3, 2014.

For the Director:

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

NOVARTIS AG,

Opposer,

-versus-

ALKEM LABORATORIES, LTD.,
Respondent-Applicant.

x ---------- x

IPC No. 14-2009-00271
Opposition to Trademark
Application No. 4-2009-001547
Date Filed: 13 February 2009
Trademark: **"TAXIM O"**

Decision No. 2014-01

DECISION

Novartis AG[1] ("Opposer") filed on 24 November 2009 an opposition to Trademark Application Serial No. 4-2009-001547. The contested application, filed by Alkem Laboratories, Ltd.[2] ("Respondent-Applicant"), covers the mark "TAXIM O" for use on *"pharmaceutical products namely, antibiotic preparations"* under Class 05 of the International Classification of Goods[3].

Opposer anchors its opposition on the provision of Section 123.1 (d) of the Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines ("IP Code"). It contends that the Respondent-Applicant's mark "TAXIM O" is confusingly similar to its registered mark "TAZIM" for the following reasons[4]:

> "a. Opposer's mark is comprised of the letters T-A-Z-I-M, while the dominant portion of respondent-applicant's mark is composed of the letters T-A-X-I-M. Opposer's mark and the dominant portion of respondent-applicant's mark are identical with respect to their first two (2) letters, i.e. T-A, and their last two (2) letters, i.e. I-M.
>
> b. Both marks sound alike when pronounced due to the similarity of the letters and their respective positions. Opposer's mark is pronounced as TAZ-IM while the dominant portion of respondent-applicant's mark is pronounced as TAX-IM.
>
> c. Both marks are word marks in plain letterings and not stylized. Neither are both marks in color nor are they compounded with a unique device or design. Hence, the similarity between the two (2) marks is even more pronounced and/or enhanced."

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[1] A global pharmaceutical corporation, duly organized and existing under and by virtue of the laws of Switzerland with business address at CH-4002 Basel, Switzerland.
[2] With address at Devashish, Alkem House, Senapati Bapat Marg, Lower Parel Mumbai India.
[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] See Verified Opposition, pp. 3-4.

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Opposer avers that the contending marks pertain to the same goods under Class 05 and therefore, sold, marketed and/or found in the same channels of business and trade. It claims that the prospective registration and use by Respondent-Applicant of its mark will diminish the distinctiveness of its own mark and dilute its goodwill thereto.

In support of the allegations in the Opposition, the Opposer submitted the following as evidence:

1. copy of Certificate of Registration No. 4-2008-001149 for the mark "TAZIM";
2. printout of the Certificate of Registration No. 4-2008-00140 from the IPO website;
3. legalized affidavit-testimony of witnesses Marcus Goldbach and Andrea Felbermeir; and,
4. pages from Novartis AG's 2008 Annual Report.

For its part, the Respondent-Applicant refutes the Opposer's claims stating that the comparison of the two marks will not suffice to warrant the denial of its application. It explains that the products that the contending marks represent can only be purchased with a doctor's prescription. Opposer's products are drugs bearing the generic name *cefixime* while that of Respondent-Applicant's are antibiotics.

Respondent-Applicant insists that where the competing marks are merely words without stylized logos and symbols, it is important to look at the products as a whole. It asserts that the packaging plays a role in determining the existence of a likelihood of confusion. It claims that an examination of its product packaging would show that the manufacturer of the drug is boldly indicated. As evidence, a copy of the proposed artwork for the drug bearing the mark "TAXIM O" is submitted as evidence.

A Preliminary Conference was conducted and officially terminated on 26 October 2010. The parties were thereafter directed to file their respective position papers. Afterwards, the case was submitted for decision.

The issue is whether Trademark Application Serial No. 4-2009-001547 should be allowed.

As culled from available records, the Opposer filed an application for the registration of the mark "TAZIM" as early as 30 January 2008. The application was

allowed and the mark was registered on 29 September 2008. Unquestionably, the Opposer's application preceded that of the Respondent-Applicant's.

Now to determine whether the marks of Opposer and Respondent-Applicant are confusingly similar, the two are shown below for comparison:

TAZIM	TAXIM O
Opposer's mark	*Respondent-Applicant's mark*

From the above illustration, it can be gleaned that the competing marks are distinguishable from each other. That both marks begin with the prefix "ta" is insufficient to reach a conclusion that the marks are confusingly similar. Contrary to Opposer's assertion, the syllable "zim" is different in sound and spelling from that of "xim". Respondent-Applicant's mark is even made more distinctive by its addition of the letter "o" at the end of its mark. With respect to products like drugs and medicines, a purchaser is inclined to pronounce the brand names in its entirety and hence, Opposer's insistence that "TAZIM" may be mistaken for "TAXIM", and vice-versa, is highly unlikely.

The confusion or mistake, much less deception, is improbable in this case bolstered by the fact that the competing marks pertain to prescription drugs. The pharmaceutical products bearing the marks are not over-the-counter goods or medicines because "zim" after the prefix "ta" in Opposer's mark is easily differentiated from "xim o" in Respondent-Applicant's, it is very remote for the pharmacist to commit a mistake in reading the prescription.

Furthermore, it is doubtful if the consumers in encountering the mark "TAZIM" will have in mind or be reminded of the trademark "TAXIM O". The Opposer has not established that "TAZIM" is a well-known mark nor that its mark's fame could support the claim that Respondent-Applicant's trademark application and use of the mark "TAXIM O" manifest the latter's intent of riding in on the goodwill supposedly earned and enjoyed by the former.

Finally, 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 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.[5] Respondent-Applicant's trademark sufficiently met this requirement.

WHEREFORE, premises considered, the instant opposition is hereby **DISMISSED**. Let the filewrapper of Trademark Application Serial No. 4-2009-001547 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 03 January 2014.

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

[5] Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.