



NOVARTIS AG,  
Opposer,

-versus-

ATTY. AMBROSIO PADILLA III,  
Respondent- Applicant.

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} IPC No. 14-2012-00227  
} Opposition to:  
} Appln. Serial No. 4-2011-013184  
} Date filed: 03 November 2011  
} TM: "ARIN"

### NOTICE OF DECISION

#### E.B. ASTUDILLO & ASSOCIATES

Counsel for the Opposer  
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#### ATTY. AMBROSIO V. PADILLA

Respondent-Applicant  
Unit 1001, 88 Corporate Center  
Sedeno corner Valero Streets  
Salcedo Village, Makati City

#### GREETINGS:

Please be informed that Decision No. 2013 - 79 dated May 06, 2013 ( copy enclosed) was promulgated in the above entitled case.

Taguig City, May 06, 2013.

For the Director:

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



**NOVARTIS AG,**

Opposer,

-versus-

**ATTY. AMBROSIO PADILLA III,**  
Respondent-Applicant.

IPC No. 14-2012-00227  
Opposition to Trademark  
Application No. 4-2011-013184  
Date Filed: 03 November 2011  
Trademark: **"ARIN"**

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Decision No. 2013-79

### DECISION

Novartis AG<sup>1</sup> ("Opposer") filed on 9 July 2012 an opposition to Trademark Application Serial No. 4-2011-013184. The contested application, filed by Atty. Ambrosio Padilla III<sup>2</sup> ("Respondent-Appellant"), covers the mark "ARIN" for use on *"pharmaceutical product – a product for the symptomatic treatment of mild, moderate and severe Alzheimer's disease and for the treatment of vascular dementia"* under Class 05 of the International Classification of Goods<sup>3</sup>.

The Opposer anchors its opposition on the provision of Section 123.1 (d) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines (IP Code). It alleges that its mark "ARINIB" and Respondent-Applicant's mark "ARIN" are confusingly similar for the following reasons:<sup>4</sup>

- a. the mark ARIN copies four (4) of the six (6) letters found in Opposer's mark ARINIB, and these four letters happen to be the first four letters in Opposer's mark;
- b. due to the identity of the first four (4) letters, both marks "look" alike when viewed from a distance;
- c. the first two (2) syllables of the Opposer's mark ARINIB are phonetically and visually identical with the two syllables of the published mark ARIN;
- d. in their entirety therefore, the two marks are phonetically identical;

<sup>1</sup> A corporation duly organized and existing under and by virtue of the laws of Switzerland, with business address at CH-4002 Basel, Switzerland.

<sup>2</sup> A Filipino citizen, with address at Unit 1001, 88 Corporate Center, 9741, Paseo de Roxas, Makati City.

<sup>3</sup> 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.

<sup>4</sup> See Verified Opposition, p. 5.

- e. because the letters, syllables and the sequence of the syllables are practically the same, the marks "look" alike; and
- f. both marks are word marks in plain letterings and not stylized. Neither is in color nor compounded with a unique device or design. Hence, the similarity between the two (2) marks is even more pronounced or enhanced.

To support its Opposition, the Opposer submitted the following as evidence:

- 1. list of countries where Novartis Ag has trademark registrations and applications, including the details of these registrations and applications;
- 2. Joint Affidavit-Testimony of Susanne Groeschel-Jofer and Andrea Felbermeir;
- 3. Its Annual Report for 2011; and,
- 4. certified true copy of the duly authenticated Corporate Secretary's Certificate.

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 04 December 2012. The Respondent-Applicant, however, did not file an Answer. Accordingly, the Hearing Officer issued on 04 April 2013 Order No. 2013-526 declaring the Respondent-Applicant in default and the case submitted for decision.

The primordial issue in this case is whether the trademark application by Respondent-Applicant should be allowed.

Section 123.1(d) of the IP Code, relied upon by Opposer, provides that:

Section 123.1. A mark cannot be registered if it:

xxx

(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

As culled from available records, the Bureau notes that the Opposer filed an application for the registration of the mark "ARINIB" as early as 17 June 2011. The application was allowed and the mark was registered on 19 January 2012. Unquestionably, the Opposer's application preceded the Respondent-Applicant's.

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

ARINIB

Arin

Upon observation of the subject trademarks, it can be readily gleaned that the two marks are confusingly similar. The marks have the same first two syllables owing to the fact that the first four letters, namely "a", "r", "i" and "n", of Opposer's mark constitutes the Respondent-Applicant's mark. The Respondent-Applicant merely dropped the last two letters of "ARINIB". As to presentation, the two marks are almost alike as they share almost similar font style. The only difference that can be noted is that "ARINIB" is written in all capital letters while "ARIN" is not. However, the difference is not sufficient to eradicate the possibility of confusion to the purchasing public. 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 purchased as to cause him to purchase the one supposing it to be the other.<sup>5</sup>

This Bureau also quotes with favor the ruling of the Supreme Court in the case of Del Monte Corporation vs. Court of Appeals<sup>6</sup>, thus:

*"It has been correctly held that side-by-side comparison is not the final test of similarity. Such comparison requires a careful scrutiny to determine in what points the labels of the products differ, as was done by the trial judge. The ordinary buyer does not usually make such scrutiny nor does he usually have the time to do*

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<sup>5</sup> Societe des Produits Nestle, S.A. vs. Court of Appeals, GR No. 112012, April 4, 2001.

<sup>6</sup> G.R. No. L-78325, January 25, 1990.

*so. The average shopper is usually in a hurry and does not inspect every product on the shelf as if he were browsing in a library. Where the housewife has to return home as soon as possible to her baby or the working woman has to make quick purchases during her off hours, she is apt to be confused by similar labels even if they do have minute differences. The male shopper is worse as he usually does not bother about such distinctions.*

*The question is not whether the two articles are distinguishable by their label when set side by side but whether the general confusion made by the article upon the eye of the casual purchaser who is unsuspicious and off his guard, is such as to likely result in his confounding it with the original. As observed in several cases, the general impression of the ordinary purchaser, buying under the normally prevalent conditions in trade and giving the attention such purchasers usually give in buying that class of goods is the touchstone."*

Noteworthy, the trademarks "ARIN" and "ARINIB" both refer to goods under Class 05. The Opposer's trademark application/registration covers "pharmaceutical preparations". This means that the Opposer uses or can use the mark "ARINIB" for pharmaceutical products that are indicated in the Respondent-Applicant's application or for goods that are similar or related thereto. Thus, assuming that consumers takes extra caution in buying pharmaceutical products as not to confuse one for the other, there is still possibility of deception such that they may be led to believe that both goods originate from the same source.

Furthermore, it has been time and again reiterated by the Supreme Court that the registered trademark owner may use his mark on the same or similar products, in different segments of the market, and at different price levels depending on variations of the products for specific segments of the market. The Court has recognized that the registered trademark owner enjoys protection in product and market areas that are the normal potential expansion of his business.<sup>7</sup> Thus, the consumers may have the notion that Opposer expanded business and manufactured a new product by the name "ARIN", which could be mistakenly assumed a derivative or variation of "ARINIB".

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<sup>7</sup> Societes des Produits Nestle, S.A. vs. Martin T. Dy, Jr., G.R. No. 172276, August 8, 2010.



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.<sup>8</sup> Respondent-Applicant's trademark fell short in meeting this function.

Accordingly, this Bureau finds and concludes 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 filewrapper of Trademark Application Serial No. 4-2011-013184 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

**SO ORDERED.**

Taguig City, 6 May 2013.



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

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<sup>8</sup> Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, November 19, 1999.