



NOVARTIS AG,  
Opposer,

-versus-

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

X-----X

} IPC No. 14-2012-00170  
}  
} Opposition to:  
} Appln. Serial No. 4-2011-014732  
} Date Filed: 12 December 2011  
} TM: "PIOREX"  
}  
}  
}  
}

**NOTICE OF DECISION**

**E. B. ASTUDILLO & ASSOCIATES**  
Counsel for Opposer  
10<sup>th</sup> Floor, Citibank Center  
8741 Paseo de Roxas  
Makati City


**ATTY. AMBROSIO V. PADILLA III**  
Respondent-Applicant  
Unit 1001, 88 Corporate Center  
Sedeno corner Valero Streets  
Salcedo Village, Makati City

**GREETINGS:**

Please be informed that Decision No. 2014 - 14 dated January 17, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, January 17, 2014.

For the Director:

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



**NOVARTIS AG,**  
Opposer,

-versus-

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

x ----- x

IPC No. 14-2012-00170  
Opposition to Trademark  
Application No. 4-2011-014732  
Date Filed: 12 December 2011  
Trademark: "**PIOREX**"

Decision No. 2014- 14

### DECISION

Novartis AG<sup>1</sup> ("Opposer") filed on 18 June 2012 an opposition to Trademark Application Serial No. 4-2011-014732. The contested application, filed by Atty. Ambrosio Padilla III<sup>2</sup> ("Respondent-Applicant"), covers the mark "PIOREX" for use on "*(pharmaceutical product) – prescription drug of the class thiazolidinedione (TZD) with antihyperglycemic, antidiabetic) action*" under Class 05 of the International Classification of Goods<sup>3</sup>.

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

(a) The marks have the same number of letters, i.e., six (6) and syllables, i.e., three (3).

(b) Out of (sic) six (6) letters in respondent-applicant's mark and Novartis' mark, four (4) letters namely I, O, E and X, are identical.

(c) The marks are composed of three (3) syllables each, i.e. PI-O-REX for respondent-applicant's mark, wherein the syllables are practically alike due to the same vowels in each syllable.

(d) Likewise, because the letters, syllables and the sequence of the letters are practically the same, the marks 'look' alike.

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

<sup>2</sup> A citizen of the Philippines with address at Unit 1001, 88 Corporate Center, 8741 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) Phonetically therefore, the marks are almost identical.”

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 maintains that products veering the mark “ZIOHEX” have been sold in the Philippines. It claims that by virtue of its prior registration and use of the said mark in the country, the trademark “ZIOHEX” has become distinctive of its goods and business.

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

1. copy of Certificate of Registration No. 4-2008-004874 for the mark “ZIOHEX”;
2. copy of the Order Confirmation for products bearing the mark “ZIOHEX”;
3. Joint Affidavit-Testimony of Susanne Groeschel-Jofer and Andrea Felbermeir; and,
4. Novartis AG’s Annual Report for 2011.

On 04 December 2012, a Notice to Answer was served to Respondent-Applicant. Despite the latter’s receipt thereof, it failed to comply. This prompted the Hearing Officer to issue Order No. 2013-1315 on 04 September 2013 declaring Respondent-Applicant in default and submitting the case for decision.

Ultimately, the issue to be resolved is whether Trademark Application Serial No. 4-2011-014732 should be allowed.

As culled from available records, the Opposer filed an application for the registration of the mark “ZIOHEX” as early as 25 April 2008. The aforementioned application was allowed and the mark was registered on 11 August 2008. On the other hand, Respondent-Applicant only filed its application on 12 December 2011; way after Opposers mark was issued registration.

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

# Piorex

*Opposer's mark*

# Ziohex

*Respondent-Applicant's mark*

Upon perusal of the marks, this Bureau finds that confusion, much more deception, of the two marks is remote. The similar letters "I", "o", "e" and "x" pale into significance when these word marks are read completely, whether visually or orally. One can easily distinguish the slashing lines of the letter "z" vis-à-vis the straight line and curve of the letter "p". More importantly, they entirely differ in pronunciation. The same conclusion can be deduced with the letters "r" and "h". In addition, Respondent-Applicant's application unequivocally states that it based its mark from the generic name *pioglitazone*, which explains the use of the prefix "pio".

Moreover, although both pertain to pharmaceuticals, the confusion remains unlikely. Noteworthy, Opposer's mark covers "*pharmaceutical, veterinary and sanitary preparations, dietetic substances adapted for medical use, food for babies, plasters, materials for dressings, material for stopping teeth, dental wax*". These products can be easily differentiated from that of the Respondent-Applicant's which pertain to drugs which are hyperglycemic and/or antidiabetic. It is very far-off for the pharmacist to commit a mistake where a prescription is required as to that of "PIOREX" medicine. As to the end-consumers, it is likewise improbable for them to mistakenly purchase an antidiabetic and/or antiglycemic medicine for a veterinary and sanitary preparation, dietetic substance, food for babies, plaster, material for dressing and stopping teeth and dental wax; and vice-versa.

Aptly, the Supreme Court in the case of **Mighty Corporation vs. E. & J. Gallo Winery**<sup>5</sup> held that:

***"x x x Emphasis should be on the similarity of the products involved and not on the arbitrary classification or general description of their properties or characteristics. But the mere fact that one person has adopted and used a particular trademark for his goods does not prevent the adoption and use of the same trademark by others on articles of a different description."***

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<sup>5</sup> G.R. No. 154342, 14 July 2004.

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.<sup>6</sup> 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. 4-2011-014732 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

**SO ORDERED.**

Taguig City, 17 January 2014.

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

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<sup>6</sup> Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.