



NOVARTIS AG.,
Opposer,

-versus-

EON PHARMATEK, INC.,
Respondent-Applicant.

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} IPC No. 14-2012-00086
} Opposition to:
} Appln. Serial No. 4-2011-0011706
} Date Filed: 29 September 2011
} TM: "AZITAR"

NOTICE OF DECISION

E.B. ASTUDILLO & ASSOCIATES

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EON PHARMATEK, INC.

Respondent-Applicant
c/o Jeevan Kumar
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Pasig City

GREETINGS:

Please be informed that Decision No. 2013 - 209 dated October 23, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, October 23, 2013.

For the Director:

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



NOVARTIS AG,

Opposer,

-versus-

IPC No. 14-2012-00086

Opposition to Trademark

Application No. 4-2011-011706

Date Filed: 29 September 2011

EON PHARMATEK, INC.,

Respondent-Applicant.

Trademark: "AZITAR"

x ----- x Decision No. 2013- 209

DECISION

Novartis AG¹ ("Opposer") filed on 30 April 2012 an opposition to Trademark Application Serial No. 4-2011-011706. The contested application, filed by EON Pharmatek, Inc.² ("Respondent-Appellant"), covers the mark "AZITAR" for use on "*pharmaceutical product namely antibacterial tablet*" under Class 05 of the International Classification of Goods³.

The Opposer anchors its opposition on 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 "AZYTH" and "AZITAR" are confusingly similar for the following reasons:⁴

- a. three out of six letters in Opposer's mark "AZYTH" are present in Respondent-Applicant's mark. Letter "y" in Opposer's mark is phonetically similar with the letter "I" in Respondent-Applicant's mark;
- b. the presence of the last two letters "a" and "r" in Respondent-Applicant's mark "AZITAR" is inconsequential and trivial because the mark "AZITAR" in its totality is almost phonetically identical with Opposer's mark "AZYTH";
- c. because of the similarity, if not total identity, in the letters and syllables of the two marks, the appearance, syntax, sound and pronunciation of the words are almost the same. Visually and phonetically therefore, the two marks are confusingly similar; and,

¹ A 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 Unit 703 AUC Burgundy Empire Tower, ADB Avenue, Ortigas Center, Pasig City, Philippines.

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, p. 3. **Republic of the Philippines**

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- d. both marks are word marks in plain lettering and not stylized. Neither is in color nor is compounded with a unique devise or design. Hence, the similarity between the two marks is even more pronounced or enhanced.

Also, the Opposer contends that the public will most likely be deceived considering that the two competing marks both refer to goods under Class 05 and that are sold in the same channels of business and trade. The Opposer asserts that it has for an application for the registration of "AZYTH" filed on 30 August 2007 under Application Serial No. 4-2007-009510. Moreover, it claims that one of its subsidiaries, Novartis Healthcare Phils., has registered its products bearing the mark "AZYTH" with the Bureau of Food & Drugs under Certificates of Product Registration Nos. DR-XXY32518 and DR-XY32519. Furthermore, it first used its own mark for azithromycin product in Bangladesh as early as May 1998 and in the Philippines since February 2007.

The Opposer submitted the following as evidence:

1. copy of Certificate of Registration No. 4-2007-009510 for the trademark "AZYTH" issued by the Intellectual Property of the Philippines (IPOPHL);
2. copy of the Certificate of Product Registration No. DR-XY32518 issued by the Bureau of Food & Drugs;
3. copy of Certificate of Product Registration No. DR-XY32519 issued by the Bureau of Food & Drugs;
4. product packaging of goods bearing the mark "AZYTH" (box);
5. product packaging of goods bearing the mark "AZYTH" (250mg);
6. product packaging of goods bearing the mark "AZYTH" (500mg);
7. copy of the purchase order of the product bearing the mark "AZYTH";
8. copy of the invoice of the product bearing the mark "AZYTH";
9. duly authenticated Corporate Secretary's Certificate;
10. legalized Joint Affidavit-Testimony of Marcus Gladbach and Andrea Felbermeir; and,
11. pages from Novartis AG's Annual Report for the year 2011.

This Bureau issued a Notice to Answer on 28 November 2012 and served a copy thereof upon the Respondent-Applicant. The Respondent-Applicant, however, did not file an Answer. Accordingly, the Hearing Officer issued on 16 April 2013 Order No. 2013-604 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.

Records show that Opposer's application for registration of the mark "AZYTH" preceded the Respondent-Applicant's filing of the trademark application. In fact, the Opposer obtained the trademark registration as early as 18 February 2008 under Registration No. 4-2007-009510. The registration covers "*pharmaceutical, veterinary and sanitary preparation, dietetic substances adopted for medical use, food for babies, plasters, materials for dressings, materials for sopping teeth, dental, wax*". The coverage of Opposer's trademark registration is broad enough to include antibacterial products. In this regard, the Respondent-Applicant's trademark application indicated usage of the mark "AZITAR" for "*pharmaceuticals namely antibacterial tablet*".

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

AZYTH **AZITAR**

Opposer's mark

Respondent-Applicant's mark

There is sufficient reason to infer or conclude that the syllables "azit" and/or "azyth" are derived from the generic word "*azithromycin*" which is the product covered by the Opposer's and Respondent-Applicant's respective marks. This observation is supported by the product samples submitted by the Opposer as evidence, which indicates the generic name of the pharmaceutical "AZYTH" covers. A trademark that consists of, ends or begins with "azit" or "azyth", as in the case of Opposer's mark, and is used for *azithromycin* is a suggestive mark and, therefore, a weak mark. There is no real creativity or ingenuity in the adoption of the mark AZYTH as the Opposer merely dropped the letters/syllables "ROMYCIN" from azithromycin. The mark or brand name itself suggests or tells the consumers the goods or service it covers and/or the kind, use, purpose or nature thereof.

Descriptive terms, which may be used to describe the product adequately, cannot be monopolized by a single user and are available to all. It is only natural that the trade will prefer those marks which bear some reference to the article itself.⁵ What will set apart or distinguish such mark from another which is also derives from its generic name are the letters and/or syllables that precede or succeed the same. In this instance, the difference between the contending marks is sufficient to eliminate the

⁵ Ong Ai Gui vs. Director of Philippines Patent Office, G.R. No. L-6235, 28 March 1955.

likelihood of confusing one mark for the other. It is highly unlikely that a consumer will be confused, much more deceived, into believing that Respondent-Applicant's goods originated from the Opposer's. Respondent-Applicant's mark is pronounced as /a-zi-tar/, which is far from Opposer's mark which is simply pronounced with two syllables /a-zith/.

This Bureau, therefore is constrained from sustaining the opposition, to do so would have the unintended effect of giving the Opposer the right to exclude others from appropriating a trademark with prefix "azyth", which is just the shortened version of the generic name *azithromycin*.

WHEREFORE, premises considered, the instant opposition is hereby **DISMISSED**. Let the filewrapper of Trademark Application Serial No. 4-2011-011706 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 23 October 2013.


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