NOVARTIS AG, Opposer, -versus- **KOREA UNITED PHARM INC.,** Respondent- Applicant.	}	**IPC No. 14-2012-00211** Opposition to: Appln. Serial No. 4-2011-014812 Filing Date: 13 December 2011 TM: **"ROVASTAR"**

NOTICE OF DECISION

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KOREA UNITED PHARM INC.,
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GREETINGS:

Please be informed that Decision No. 2013 - 74 dated April 26, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, April 26, 2013.

For the Director:

Atty. PAUSI U. SAPAK
Hearing Officer
Bureau of Legal Affairs

NOVARTIS AG,
Opposer,

-versus-

KOREA UNITED PHARM INC.,
Respondent-Applicant.
x----------x

IPC No. 14-2012-00211

Opposition to:
Appln. Serial No. 4-2011-014812
Filing Date: 13 December 2011

TM: "ROVASTAR"

Decision No. 2013- 74

DECISION

NOVARTIS AG ("Opposer")[1] filed on 09 July 2012 an opposition to Trademark Application Serial No. 4-2011-014812. The application, filed by KOREA UNITED PHARM INC. ("Respondent-Applicant")[2], covers the mark "ROVASTAR" for use on "anti-inflammatory preparations, medicines for sensory organs, circulatory organs, tumor treatments, medicines for central nervous system, antibiotic preparations, medicines for respiratory organs, chemotherapeutics, medicines for digestive organs and cardiac stimulants" under Class 5 of the International Classification of Goods and Services[3].

The Opposer alleges among other things, the following:

1. The trademark ROVASTAR being applied for by Respondent-Applicant is confusingly similar to Opposer's ROBESTAR, 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 ROVASTAR in the name of Respondent-Applicant will violate Section 123.1, subparagraph (d) of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines, to wit:

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[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] Engelhard Arzneimitted GMBH & Co., K G, a corporation duly organized and existing under and by virtue of the laws of the Republic of Korea, with business address at 154-8 Nonhyun-dong, Kangnam-gu, Seoul, Republic of Korea.
[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.

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"Sec. 123. Registrability. – 123.1 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;" [Underscoring supplied]

3. The registration and use by Respondent-Applicant of the trademark ROVASTAR will diminish the distinctiveness and dilute the goodwill of Opposer's trademark ROBESTAR.

4. The registration of the trademark ROVASTAR in the name of Respondent-Applicant is contrary to other provisions of the Intellectual Property Code of the Philippines.

The Opposer's evidence consists of the following:

1. Exhibit "A" – A list of countries where Novartis AG has trademark registrations and applications for ROBESTAR, including the details of these registrations and applications;

2. Exhibit "B" – Joint Affidavit-Testimony of Sussane Groeschel-Jofer and Andrea Felbermeir;

3. Exhibit "C" – Novartis AG's Annual Report for 2011; and

4. Exhibit "D" – Certified true copy of the duly authenticated Corporate Secretary's Certificate, the original of which is in possession of undersigned counsel and may be presented during the preliminary conference if required.

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 28 November 2012. However, the Respondent-Applicant did not file an answer.

Should the Respondent-Applicant' trademark application be allowed?

It is emphasized that the essence of trademark registration is to give protection to the owner of the 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 products[4].

In this regard, Section 123.1 (d) of the IP Code provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date in respect of the same goods or services or closely related goods or services, or if it is nearly resembles such a mark as to be likely to deceive or cause confusion.

The records show that at the time the Respondent-Applicant filed its trademark application on 13 December 2011, the Opposer already has a trademark application in the Philippines for the mark ROBESTAR filed on 26 April 2011. The application covers "pharmaceutical preparations" under Class 5. The use of the term "pharmaceutical preparation" means therefore that the Opposer's mark covers wide-ranging goods that include those indicated in the Respondent-Applicant's trademark application.

A scrutiny of the mark applied for registration by the Respondent-Applicant shows that it resembles the Opposer's mark, as shown below:

ROBESTAR	**ROVASTAR**
Opposer's Mark	Respondent-Applicant's Mark

The difference in the spelling of the marks' respective second syllables ("BE" as against "VA") is of no moment. The changes did little in conferring upon the Respondent-Applicant's mark a character that would make it clearly distinct from the Opposer's. The resemblances in the visual and aural properties render the marks confusingly similar. In this regard, it is stressed that 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 purchasers as to cause him to purchase the one supposing it to be the other[5].

Colorable imitation does not mean such similitude as amounts to identity, nor does it require that all details be literally copied. Colorable imitation refers to such similarity in the form, content, words, sound, meaning, special arrangement or general appearance of the trademark or tradename with that of the other mark or tradename in their over-all presentation or in their essential, substantive and distinctive parts as would likely to mislead or confuse persons in the ordinary course of purchasing genuine article[6].

It is stressed that the determinative factor in a contest involving trademark registration is not whether the challenged mark would actually cause confusion or deception of the

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[4] Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114509, 19 November 1999.
[5] Societe Des Produits Nestle S.A. v. Court of Appeals G.R. No. 1,000098, 27 Dec. 1995.
[6] Emerald Garment Manufacturing Corp., v. Court of Appeals, G.R. No. 100098, 29 Dec. 1995.

It is stressed that the determinative factor in a contest involving trademark registration is not whether the challenged mark would actually cause confusion or deception of the purchasers but whether the use of such mark will likely cause confusion or mistake on the part of the buying public. To constitute an infringement of an existing trademark, patent and warrant a denial of an application for registration, the law does not require that the competing trademarks must be so identical as to produce actual error or mistake; it would be sufficient, for purposes of the law, that the similarity between the two labels is such that there is a possibility or likelihood of the purchaser of the older brand mistaking the newer brand for it[7]. Because the Respondent-Applicant's mark will be used on goods that are similar and/or closely related to the Opposer, confusion is likely. In this regard trademarks are designed not only for the consumption of the eyes, but also to appeal to the other senses, particularly, the faculty of hearing. Thus, when one talks about the Opposer"s trademark or conveys information thereon, what reverberates is the sound made in pronouncing it. The same sound produced by ROBESTAR is practically replicated when one pronounces the Respondent-Applicant's mark. The likelihood of confusion would subsist not only on the purchaser's perception of goods but also on the origins thereof as held by the Supreme Court[8]:

> Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily prudent purchaser would be induced to purchase one product in the belief that he was purchasing the other. In which case, defendant's goods are then bought as the plaintiff's and the poorer quality of the former reflects adversely on the plaintiff's reputation. The other is the confusion of business. Here, though the goods of the parties are different, the defendant's product is such as might reasonably be assumed to originate with the plaintiff and the public would then be deceived either into that belief or into belief that there is some connection between the plaintiff and defendant which, in fact does not exist.

It is inconceivable for the Respondent-Applicant to have come up with the mark ROVASTAR without having been inspired by or motivated by an intention to imitate the mark ROBESTAR. It is highly improbable for another person to come up with an identical or nearly identical mark for use on the same or related goods purely by coincidence. As in all cases of colorable imitation, the unanswered riddle is why, of the millions of terms and combination of letters are available, the Respondent-Applicant had come up with a mark identical or so nearly similar to another's mark if there was no intent to take advantage of the goodwill generated by the other mark[9].

It is stressed that the Respondent-Applicant was given the opportunity to explain its side and defend its trademark application. However, it failed and/or chose not to do so.

Accordingly, this Bureau finds that the Respondent-Applicant's trademark application is proscribed by Sec. 123.1 (d) of the IP Code.

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[7] See American Wire and Cable Co. v. Director of Patents et.al. (31 SCRA 544) G.R. No. L-26557, 18 Feb. 1970.
[8] Converse Rubber Corporation v. Universal Rubber Products, Inc., et.al. G.R. No. L-27906, 08 Jan. 1987.
[9] See American Wire and Cable Co. v. Director of Patents et.al. 31 SCRA 544 G.R. No. L-26557, 08 Jan. 1987.

WHEREFORE, premises considered the opposition is hereby **SUSTAINED.** Let the filewrapper of Trademark Application Serial No. 4-2011-014812 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 26 April 2013.

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

/pus/joanne