



THERAPHARMA, INC.,
Opposer,

-versus-

NOVARTIS AG,
Respondent-Applicant.

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} **IPC No. 14-2009-00224**
}
} Opposition to:
} Appln. Serial No. 4-2009-000547
} Date Filed: 16 January 2009
} **TM: "KOGREL"**
}
}
}
}

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2013 - 207 dated October 24, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, October 24, 2013.

For the Director:


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



THERAPHARMA, INC.,
Opposer,

IPC NO. 14-2009-224

-versus-

NOVARTIS AG,
Respondent-Applicant.

Opposition to:
App. Serial No. 4-2009-000547
(Filing Date: 16 January 2009)
TM: "KOGREL"

X-----X

DECISION NO. 2013- 207

DECISION

THERAPHARMA, INC. ("Opposer")¹ filed an opposition to Trademark Application Serial No. 4-2009-000547. The application, filed by NOVARTIS AG ("Respondent-Applicant")², covers the mark "KOGREL" for use on "*pharmaceutical preparations, namely platelet aggregation inhibitors, dietetic substance adapted for medical use, food for babies, plasters, materials for dressings, material for stopping teeth, dental wax*" under Class 05 of the International Classification of Goods.³

The Opposer alleges, among other things, the following:

"7. The trademark 'KOGREL' so resembles the trademark 'PLOGREL' owned by Opposer and duly registered with this Honorable Bureau prior to the publication for opposition of the mark 'KOGREL' owned by Respondent-Applicant.

"8. The trademark 'KOGREL', will likely cause confusion, mistake and deception on the part of the purchasing public, most especially, considering that the opposed trademark 'KOGREL' is applied to the same class of goods as that of Opposer's trademark 'PLOGREL', i.e., Class 05 of the International Classification of Goods.

"9. The registration of the mark 'KOGREL' in the name of the Respondent-Applicant will violate Section 123 of the IP Code, which provides, in part, that 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;'

¹A corporation organized and existing under the laws of Philippines with business address at 3rd Floor Bonaventure Plaza, Ortigas Avenue, Greenhills, San Juan City, Metro Manila, Philippines.

²A foreign corporation with principal business address at 4002, Basel, Switzerland.

³The Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks based on a multilateral treaty administered by the World Intellectual Property Organization. This treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of Registration of Marks concluded in 1957.

Under the above-quoted provision, any mark which is similar to a registered mark shall be denied registration in respect of similar or related goods or if the mark applied for nearly resembles a registered mark that confusion or deception in the mind of the purchasers will likely result.

“In support of this Opposition, Opposer will rely upon and prove the following facts:

“10. Opposer is the registered owner of the trademark ‘PLOGREL’. Opposer is engaged in the marketing, and sale of a wide range of pharmaceutical products.

“11. The Trademark Application for the trademark ‘PLOGREL’ was filed with the IPO on 15 October 2007 by Opposer and was approved for registration on 18 February 2008 to be valid for a period of ten (10) years or until 18 February 2018. The registration of the trademark ‘PLOGREL’ subsists and remains valid to date. xxx

“12. In order to legally market, distribute and sell these pharmaceutical preparations in the Philippines, Opposer registered the product with the Bureau of Food and Drugs (‘BFAD’). xxx

“13. By virtue of the foregoing certifications, there is no doubt that Opposer has acquired an exclusive ownership over the trademark ‘PLOGREL’ to the exclusion of all others.

“14. As provided in Section 138 of the IP Code, ‘A certificate of registration of a mark shall be *prima facie* evidence of the validity of the registration, the registrant’s ownership of the mark, and of the registrant’s exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate.’

“15. The registration of Respondent-Applicant’s ‘KOGREL’ will be contrary to Section 123.1 (d) of the IP Code. **‘KOGREL’ is confusingly similar to ‘PLOGREL’.**

“15.1. There are no set rules that can be deduced in particularly ascertaining whether one trademark is confusingly similar to, or is a colorable imitation of, another. Nonetheless, jurisprudence provides enough guidelines and tests to determine the same.

x x x

“15.1.6. Thus, applying the dominance test in the instant case, it can be readily concluded that the trademark ‘KOGREL’, owned by Respondent-Applicant, so resembles Opposer’s trademark ‘PLOGREL’, that it will likely cause confusion, mistake and deception on the part of the purchasing public.

“15.1.6.1. First, Respondent-Applicant’s mark ‘KOGREL’ appears and sounds almost the same as Opposer’s trademark ‘PLOGREL’;

“15.1.6.2. Second, the last five letters ‘O-G-R-E-L’ of Respondent-Applicant’s ‘KOGREL’ is exactly the same with Opposer’s trademark ‘PLOGREL’;

“15.1.6.3. **Third, both marks are composed of two syllables** ‘/KOG/-/REL’ and ‘/PLOG/-/REL/’;

“15.1.6.4. Fourth, Respondent-Applicant merely changed the first two letters of Opposer’s trademark ‘PLOGREL’ from ‘PL’ to letter ‘K’; Hence, Respondent-Applicant’s mark KOGREL.

“15.1.7 Clearly, Respondent-Applicant’s mark ‘KOGREL’ adopted the dominant features of the Opposer’s mark ‘PLOGREL’;

x x x

“15.2. Opposer’s trademark ‘PLOGREL’ and Respondent-Applicant’s mark ‘KOGREL’ are practically identical marks in sound and appearance that they leave the same commercial impression upon the public.

“15.3. Thus, the two marks can easily be confused for one over the other, most especially considering that the opposed trademark ‘KOGREL’ is applied for the same class of goods as that of trademark ‘PLOGREL’, i.e. Class 05 of the International Classification of Goods.

“15.4. Yet, Respondent still filed a trademark application for ‘KOGREL’, despite its knowledge of the existing trademark registration of ‘PLOGREL’ which is confusingly similar thereto in both its sound and appearance, to the extreme damage and prejudice of Opposer.

“15.5. Opposer’s intellectual property right over its trademark is protected under Section 147 of IP Code, which states:

x x x

“15.6. ‘When, as in the present case, one applies for the registration of trademark or label which is almost the same or very closely resembles one already used and registered by another, the application should be rejected and dismissed outright, even without opposition on the part of the owner and user of a previously registered label or trademark, this is not only to avoid confusion on the part of the public, but also to protect an already used and registered trademark and an established goodwill.’ xxx

“16. To allow Respondent-Applicant to continue to market its products bearing the mark ‘KOGREL’ undermines Opposer’s right to its trademark ‘PLOGREL’. As the lawful owner of the mark ‘PLOGREL’, Opposer is entitled to prevent the Respondent-Applicant from using a confusingly similar mark in the course of trade where such would likely mislead the public.

“16.1. Being the lawful owner of ‘PLOGREL’, Opposer has the exclusive right to use and/or appropriate the said marks and prevent and prevent all third parties not having its consent from using in the course of trade identical or similar marks, where such would result in a likelihood of confusion.

“16.2. By reason of the Opposer’s ownership of the trademark

'PLOGREL', it also has the right to prevent third parties, such as Respondent-Applicant, from claiming ownership over Opposer's marks or any depiction similar thereto, without its authority or consent.

"16.3. Moreover, following the illustrative list of confusingly similar sounds in trademarks cited in McDonald's Corporation case xxx, it is evident that the mark 'KOGREL' is aurally confusingly similar to Opposer's 'PLOGREL':

x x x

"16.4. Further, the fact that Respondent-Applicant seeks to have its mark 'KOGREL' registered in the same class (Nice Classification 05) as Opposer's trademark 'PLOGREL' will undoubtedly add to the likelihood of confusion among the purchasers of these two goods.

"17. The registration and use of Respondent-Applicant's confusingly similar trademark 'KOGREL' on its goods will tend to deceive and/or confuse the public into believing that the Respondent-Applicant is in any way connected with the Opposer.

x x x

"17.2. The doctrine of confusion of business or origin is based on cogent reasons of equity and fair dealing. It has to be realized that there can be unfair dealing by having one's business reputation confused with another. 'The owner of the trademark or trade name has the property right which he is entitled to protection, since there is damage to him from confusion of reputation or goodwill in the mind of the public as well as from confusion of goods.' Xxx

"17.3. Applying the foregoing in the instant case, to allow Respondent-Applicant to use its 'KOGREL' mark on its products would likely cause confusion or mistake in the mind of the public or deceive purchasers into believing that the 'KOGREL' product of Respondent-Applicant originate from or being manufactured by Opposer, or at the very least, is connected to associated with the 'PLOGREL' product of Opposer, when such connection does not exist.

x x x

"17.5. Clearly, the scope of protection accorded to trademark owner includes not only confusion of goods but also confusion of origin. As in this case, besides from the confusion of goods as already discussed, there is undoubtedly also a confusion of the origin of the goods covered by the marks of Respondent-Applicant and Opposer, which should not be allowed.

"18. In case of grave doubt, the rule is that, '[a]s between a newcomer [Respondent-Applicant] who by confusion has nothing to lose and everything to gain and one [Opposer] who by honest dealing has already achieved favor with the public, any doubt should be resolved against the newcomer [Respondent-Applicant] inasmuch as the field from which he can select a desirable trademark to indicate the origin of his product is obviously a large one.'

x x x

X X X

“19. Thus, Opposer’s interests are likely to be damaged by the registration and use by the Respondent-Applicant of the mark ‘KOGREL’. The denial of the application subject of this opposition is authorized under the IP Code.”

The Opposer’s evidence consists of the following:

1. Exhibits “A” and “A-1” - print-out from the “IPO E-Gazette” released for circulation on 15 June 2009 showing the mark KOGREL being allowed for opposition;
2. Exhibit “B” – certified true copy of Certificate of Reg. No. 4-2007-011440 issued on 18 February 2008 for the mark PLOGREL for use on *antiplatelet* drug for the prevention of stroke and heart attack under Class 5; and
3. Exhibit “C” – Certificate of Product Registration issued by the Bureau of Food and Drugs (BFAD) for the brand name PLOGREL.

The Respondent-Applicant filed on 05 January 2010 filed its Answer, alleging the following Special and Affirmative Defenses:

“I

Respondent-applicant’s mark KOGREL is not confusingly similar with opposer’s mark PLOGREL; hence, registrable.

“21. Respondent-Applicant’s mark KOGREL is not confusingly similar with opposer’s mark PLOGREL. The two marks are reproduced below for comparative purposes:

X X X

Res ipsa loquitur. No amount of legal gobbledygook will alter the fact that these marks are very different from each other, hence, will not create confusion in the minds of the purchasing public.

“22. A simple examination of opposer’s mark and respondent-applicant’s mark will readily reveal that the two marks are not confusingly similar with each other since:

- a. Respondent-applicant’s mark is composed of the syllables KOG-REL while opposer’s mark is composed of the syllables PLOG-REL. Only the last syllables are the same. The first syllables of both marks are unique and distinct from one another. KOG vis-à-vis PLOG are sufficiently distinguishable from each other either visually and phonetically. Hence, confusion is not likely to occur.
- b. There is no confusion as defined by the ‘dominancy test’. According to the ‘dominancy test’, confusion will arise only if the dominant features of two (2) competing marks are identical or similar. Hence , if the dominant features of the marks, which in this case are the first syllables KOG and PLOG, are not similar or not identical, confusion will not likely to arise.

"23. Moreover, the Philippine Supreme Court has adopted the view in a long line of cases that opposing trademark should be compared in their entirety to determine confusing similarity xxx.

"24. Under Philippine trademark practice and jurisprudence, it is an established principle that the presence of a common letter or syllables in word marks or a common word in trademarks consisting of compound words, by itself, does not invalidate one another on the ground of 'confusing similarity'. Moreover, it is established in Philippine law and jurisprudence that the practical approach to the problem of similarity or dissimilarity is to go into the whole of two trademarks pictured in their manner of display. Inspection should be undertaken from the point of view of the prospective buyer. The trademark complained of should be compared and contrasted with the purchaser's memory (not in juxtaposition) of the trademark said to be infringed. Some such factors as sound, appearance; form, style, shape, size or format; color; ideas connoted by marks; the meaning, spelling and pronunciation of words used; and the setting in which the words appear, may be considered. Confusion is likely between trademarks only if their overall presentations in any of the particulars of sound, appearance or meaning are such as would lead the purchasing public into believing that the products or services to which the marks are applied or used emanated from the same source. Under these standards, respondent-applicant's mark KOGREL is not 'confusingly similar' with the opposer's mark PLOGREL and will not cause confusion among the consuming public.

"25. Furthermore, the two marks cover 'pharmaceutical preparations'. It is settled that purchasers are known to be more wary of the nature of the goods when what they are buying are medicines. Medicines are generally dispensed and sold upon presentation of the doctor's prescription. While the doctor does not go to the drugstore to buy a particular medicine, he practically dictates what medicine to buy through his medical prescription. And the doctor is knowledgeable of, and well acquainted with, the medicines he prescribes for the patient. Therefore, the likelihood of confusion as to the medicine bought that may arise from the use thereon of similar marks, which is not the case here, is thus remote.

"26. The Supreme Court, in the case of *Ethepa, A.G. vs. Director of Patents and Westmont Pharmaceuticals, Inc.*, G.R. No. L-20635, March 31, 1966, 16 SCRA 495, categorically held that:

x x x

"27. The same conclusion was arrived at in the case of *Bristol Myers vs. Director of Patents*, 17 SCRA 129, to wit:

x x x

"28. It is likewise noteworthy that the similarity in the last syllable of both marks, REL, is not uncommon in names given to pharmaceutical preparations as also held in the case of *Ethepa, A.G. vs. Director of Patents and Westmont Pharmaceuticals, Inc.*, *supra*, to wit:

x x x

"29. Moreover, aside from the 'pharmaceutical preparations', respondent-applicant's mark KOGREL also covers other goods, to wit:

'dietetic substance adapted for medical medical use, food for babies, plasters,

materials for dressings, material for stopping teeth, dental wax’.

These other goods are unrelated and non-competing with the goods ‘antiplatelet drug for the prevention of stroke and heart attack’ covered by opposer’s mark PLOGREL. As such, with respect to these other goods, definitely no confusion will arise.

“30. Hence, contrary to the allegations of opposer in its Verified Notice of Opposition, the marks PLOGREL and KOGREL are not confusingly similar and will never cause confusion in the minds of the consuming public. The prospective registration of respondent-applicant’s mark KOGREL will therefore not violate the provisions of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines.

“II

Contrary to opposer’s contention, respondent-applicant has the right to use and appropriate for itself the mark KOGREL in the Philippines.

“31. Respondent-applicant Novartis AG is considered a world leader in providing medicines to protect health, prevent and treat diseases, and to improve well-being. In 2008, its group net sales amounted to US\$41,459,000,000. Its pharmaceutical business alone posted sales of US\$26,331,000,000.

“32. Furthermore, respondent-applicant has invested vigorously in research and development and continue bringing new and innovative products to the market. As such, it invested a total of US\$7,214,000,000 in research and development in 2008.

“33. Respondent-applicant has exclusively adopted the trademark KOGREL to designate goods under International Class 5. In the Philippines, it is the applicant for the registration of the mark KOGREL with the Intellectual Property Office, the particulars of which are as follows:

x x x

“34. The mark KOGREL of the respondent-applicant has been registered in India as early as April 29, 2003, long before opposer filed its trademark application for the mark PLOGREL on October 15, 2007. xxx Moreover, applications for the same mark are also pending in Malaysia and Taiwan.

“35. There is therefore no truth to opposer’s contentions that respondent-applicant filed its trademark application despite its knowledge of the existing registration for PLOGREL for oppose Therapharma, Inc. (paragraph 15.4 of the Verified Notice of Opposition) and that respondent-applicant has allegedly no reasonable explanation for its use of the mark KOGREL in its products (paragraph 18.2 of the Verified Notice of Opposition). The plain truth is that respondent-applicant was merely expanding its business and the sale of its goods bearing the mark KOGREL in the Asian region which started in India as early as 2003.

“36. Respondent-applicant has earned and continues to earn the trust and approval of the relevant sector of the public due to its innovative, effective and reliable products. Clearly, regard should be given to respondent-applicant’s credibility and reputation, as held in the case of *American Cyanamid Company vs. The Director of Patents and Tiu Chian*, G.R. No. L-23954, April 29, 1977, to wit:

x x x

“37. Clearly, opposer’s contention that it allegedly acquired an exclusive ownership over the mark PLOGREL, and therefore, has the right to exclude and prevent respondent-applicant from using and registering its unique and distinct mark KOGREL in the Philippines is devoid of merit.

III

Opposer’s Verified Notice of Opposition was not verified, hence, should be dismissed outright.

“38. In its Verified Notice of Opposition (p. 16), oppose clearly stated that:

‘20. In support of the foregoing, the instant Notice of Opposition is herein verified by Mr. Renato T. Castañeda, which will likewise serve as his affidavit. xxx’

“39. However, a perusal of the page on Verification and Certification of Non-Forum Shopping will show that it was a Mr. John E. Dumpit, and not Mr. Castañeda, who signed the same. Hence, the Verified Notice of Opposition should be considered as not having been verified as required under Office Order No. 79 (Amendments to the Regulations on Inter Partes Proceedings), to wit:

x x x

“40. Considering that the opposition was not verified, the same should be dismissed also in accordance with Office Order No. 79 (Amendments to the Regulations on Inter Partes Proceedings), as follows:

x x x.”

The Respondent-Applicant submitted, as its evidence, certified copy of Indian Certificate of Registration No. 1195175 for the mark KOGREL, legalized Joint Affidavit-Testimony of Marcus Goldbach and Andrea Felbermeir, and pages from Novartis AG Annual Report for the year 2008.⁴

The preliminary conference was terminated on 19 May 2010. On 15 June 2010, this Bureau issued Order No. 2010-678 requiring the parties to submit their respective position papers. The Respondent-Applicant filed its Position Paper on 21 June 2010 while the Respondent-Applicant did so on 28 June 2010.

The issues to be resolved in this case are as follows:

1. whether or not the notice of opposition was verified, and
2. whether or not Respondent-Applicant’s mark KOGREL should be registered.

⁴ Marked as Exhibits “A”, “B” to “B-6” and “C” to “C-3” instead of Exhibit “1”, “2” to “2-F” and “3” to “3-C” as required by the Inter Partes Rules and Regulations.

On the first issue, contrary to the allegation of the Respondent-Applicant, the Notice of Opposition was verified. A scrutiny of the notice of opposition shows that while the Opposer alleged that Renato Castañeda verified the opposition,⁵ the Verification and Certification on Non-Forum Shopping was actually signed by John E. Dumpit. This discrepancy, however, is not fatal. The Opposer only inadvertently typed in the Notice of Opposition the name "Renato Castaneda" instead of Dumpit's. The Secretary's Certificate shows that the Opposer's Board of Directors appointed Dumpit, not Castañeda, as its "authorized representative and to sign for and its behalf, the opposition and the certification and verification as may be required by the IPO."⁶ As such, the signing of the Verification and Certification on Non-Forum Shopping by Dumpit, as the duly authorized representative of Opposer, is in order.

Going now to the substantive issue, Thus, Sec. 123.1 (d) of Rep. Act No.8293, also known as the Intellectual Property Code of the Philippines ("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 nearly resembles such a mark as to be likely to deceive or cause confusion.

In this regard, records show that at the time the Respondent-Applicant filed its trademark application for KOGREL on 16 January 2009, the Opposer already has an existing registration for the mark PLOGREL (Registration No. 4-2007-011440) issued on 18 February 2008, and which is existing and valid up to 2018.

As to the goods upon which the marks are used, Opposer's mark is used on "*anti-platelet drug for the prevention of stroke and heart attack*" under Class 05 while Respondent's mark is being applied for "*pharmaceutical preparations, namely platelet aggregation inhibitors*" among others, also under Class 05. The goods indicated in the Respondent-Applicant's trademark application are, therefore, similar and/or closely related to those covered by the Opposer's trademark registration.

But, are the competing marks identical or confusingly similar and used on the same or closely related goods as to likely deceive or cause confusion?

Plogrel

Opposer's Mark

KOGREL

Respondent-Applicant's Mark

A comparison of the contending marks shows that both are composed of two syllables and have common suffix - "grel". In this regard, there is sufficient reason to infer and conclude that both marks were coined out of the generic name "*clopidogrel*". As such, the marks are obviously indicative of the

⁵ See Notice of Opposition, paragraph 20, p. 16.

⁶ See Secretary's Certificate attached to the Verified Notice of Opposition.

pharmaceutical product or goods involved, and therefore are considered as suggestive marks. The marks or brand names themselves give away or tell the consumers what the goods are, and/or the kind, nature, use or purpose thereof. As far as distinctiveness is concerned, suggestive are weak marks. Succinctly, the opposition should not be sustained solely because the competing marks have a common suffix "grel". To do so will have the unintended effect of giving the Opposer a monopoly or exclusive right over the use of a suffix ("grel"). In fact, "*clopidogrel*" and/or the stem/affix "grel" for "*platelet aggregation/coagulation inhibitors*", is one of the international non-proprietary names (INN) identified by the World Health Organization and recognized in the medical field.⁷

Thus, the issue of whether the competing marks are confusingly similar is to be determined by the other components thereof. This Bureau finds that the differences between the marks with respect to the letters preceding the suffix "grel" are sufficient to subdue a likelihood of confusion, much less deception. One can easily see, and remember, the contrasts between the lines, strokes and configuration of the letters "P" and "L" in the Opposer's mark, and of the letter "K" in the Respondent-Applicant's. The visual difference is amplified by the fact that the letters comprising each of the competing marks are presented in different font styles and cases. Also, uttering a syllable that starts with the letter "P" requires the upper lip to come into contact with lower lip. This is not the case in respect of the letter "K". Hence, the sound produced by the syllables "PLO" is clearly discernible from that of when uttering the syllable "KO".

It must be 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 article to which it is affixed, to secure to him, who has been instrumental in bringing into a 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.⁸ This Bureau finds that the mark applied for registration by the Respondent-Applicant sufficiently meets the afore-stated function.

WHEREFORE, premises considered, the instant opposition is hereby **DISMISSED**. Let the filer of Trademark Application Serial No. 4-2009-000547, together with a copy of this Decision, be returned to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 24 October 2013.


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

⁷ Reference: http://en.wikipedia.org/wiki/Drug_nomenclature

⁸ *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 November 1999, citing *Etepha v. Director of Patents*, 16 SCRA 495.