



TIMA FOUNDATION,
Opposer,

-versus-

BROWN & BURK PHILIPPINES, INC.
& MICRO LABS LTD.,
Respondent- Applicant.

X-----X

} **IPC No. 14-2008-00303**
}
} Opposition to:
} Appln. Serial No. 4-2007-011970
} Date Filed: 26 October 2007
} TM: "SUPALIDE"

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2013 - 148 dated July 29, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, July 29, 2013.

For the Director:

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



TIMA FOUNDATION,

Opposer,

- Versus -

BROWN & BURK PHILIPPINES, INC.

& MICRO LABS LTD.,

Respondents-Applicants.

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IPC No. 14-2008-00303

Opposition to:

Appln. Ser. No. 42007011970

Filed: 26 October 2007

Trademark: "SUPALIDE"

Decision No. 2013 - 148

DECISION

TIMA FOUNDATION ("Opposer")¹, filed on 17 November 2008 an opposition to Trademark Application Serial No. 4-2007-011970. The application, filed by BROWN & BURK PHILIPPINES, INC. & MICRO LABS LTD., ("Respondents-Applicants")², on 26 October 2007, covers the trademark "SUPALIDE" for use on goods under Class 05³, specifically, pharmaceutical products, used for the treatment of upper and lower respiratory tract infections, bacterial pneumonia, uncomplicated skin and structure infections and acute otitis media.⁴

The Opposer alleges the following:

"8. The registration of the mark 'SUPALIDE' in the name of the Respondents-Applicants will violate and contravene the provisions of Sections 123.1 (e), (g) and (m) of the IP Code, as amended, because said mark is identical and confusingly similar to Opposer's internationally well-known trademark 'SUPALIV', owned, used and not abandoned by Opposer as to be likely, when applied to or used in connection with the goods of the Respondent-Applicant, to cause confusion or mistake, or deceive the purchasers thereof as to the origin of the goods.

"9. The registration of the mark 'SUPALIDE' in the name of Respondents-Applicants will cause grave and irreparable injury and damage to Opposer for which reason it opposes said application based on the grounds set forth hereunder.

¹ A corporation organized and existing under the laws of Liechtenstein with principal address at Alte Churerstr, 45,9596 Balzers, Liechtenstein.

² A corporation with address at 302-B, RCI Building, 105 Rada St., Legaspi Village, Makati City, Philippines, and Bangalore, India, respectively.

³ The Nice Classification of goods and services is for registering trademark and service marks, based on multilateral treaty administered by the WIPO, called the Nice Agreement Concerning the International Classification of Goods and Services for Registration of Marks concluded in 1957.

⁴ The application was published in the Intellectual Property Office Official Gazette, officially released for circulation on 18 July 2008.

"A. Opposer is the prior adopter, user and true owner of the trademark 'SUPALIV' in the Philippines and elsewhere around the world.

"10. Opposer was founded in the year 2001 for the purpose of financing medical research in areas which are not looked after by the major pharmaceutical companies. Further, Opposer supports the idea of inexpensive drugs for developing countries, which is reflected in Opposer's activities in the treatment of diabetes, for example, Opposer has already financed a number of successful projects. All projects are subjected to the same rigorous process and undergo severe clinical testing by neutral, approved clinical research companies. Opposer will not accept projects that have no proven scientific evidence and not supported by hard facts.

"11. Opposer is the owner of the trademark 'SUPALIV' which is deemed registered in the Intellectual Property Office of the Philippines ('IPPhl') on 21 July 2008 under Registration No. 4-2007-500382. The application for registration of the trademark 'SUPALIV' was filed with the IPPhl on 16 May 2007. The 'SUPALIV' trademark registration covers the following goods:

x x x

"12. Opposer has also secured registration of the mark 'SUPALIV' in Germany on 01 October 2008 under German Registration No. 30670982. Moreover, the mark 'SUPALIV' is registered with the World Intellectual Property Organization ('WIPO') which manages the Madrid Agreement and the Madrid Protocol, under Registration No. 962702 issued on 15 May 2007, and the designated countries are: Belarus, China, the Russian Federation, Ukraine, Australia, OHIM, South Korea and Singapore.

x x x

"B. Respondent-Applicant's mark 'SUPALIDE' is confusingly similar to Opposer's well-known trademark 'SUPALIV'.

"14. A comparison of the contending marks undoubtedly show that herein subject mark 'SUPALIDE' is almost identical to Opposer's mark 'SUPALIV' in the sense that all letter of both marks are the same, except that the last letter 'V' in the mark 'SUPALIV' was merely replaced with the letters 'D' and 'E' to form the mark 'SUPALIDE'. All other letters of Opposer and Respondents-Applicants marks are the same such that when the competing marks are pronounced, both marks sound the same that you cannot distinguish one from the other. As to the syllabication, both marks contain 3 syllables with the same first 2 syllables. Moreover, the last syllable 'LIV' for Opposer and 'LIDE' for Respondents-Applicant does not produce a remarkable distinction. In one American case, the rule applied was that, the conclusion created by the use of the same word as the primary element of a trademark is not counter-acted by the addition of another term in the said trademark. In the same manner, confusion cannot be avoided by merely changing the last letter, as in this case. 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 purchaser as to cause him to purchase the one supposing it to be the other. An unfair competition need not copy the entire mark to accomplish its fraudulent purposes. It is enough if he rakes the one feature which the average buyer is likely to remember. Moreover, the determinative factor in a contest involving registration of trademark is not whether the challenged mark would actually cause confusion or deception of the purchases but whether the use of the

mark would likely cause confusion or mistake on the part of the buying public. The law does not require that the competing marks must be so identical as to produce actual error or mistake. It would be sufficient that the similarity between the 2 marks is such that there is possibility of the older brand mistaking the newer brand for it.

x x x

"16. Applying the foregoing jurisprudence, Respondents-Applicants mark 'SUPALIDE' is confusingly similar to Opposer's mark 'SUPALIV'. First, 'SUPALIDE' sounds exactly the same as 'SUPALIV'. Second, the first 6 letters in both marks are the same. Third, the first 2 syllables of both marks sound the same. Fourth, the last syllables of both marks which are 'LIV' for Opposer and 'LIDE' for Respondents-Applicants likewise sound the same.

"17. The two marks are aurally and phonetically identical and confusingly similar. Under the idem sonans rule, two marks used on identical or related goods may be confusingly similar if they have similar sound or pronunciation. Likewise, the importance of this rule is emphasized by the increase of radio advertising in which we are deprived of help of our eyes and must depend entirely on the ear. In this regard, it must be pointed out that similarity of sound or pronunciation and spelling is all the more relevant in determining whether two marks are confusingly similar, when applied to merchandise of the same descriptive properties. In the instant case, Respondents-Applicants' application is for Class 05. On the other hand, Opposer's active registrations with the World Intellectual Property Office and the Intellectual Property Office of the Philippines are for Classes 01, 05, 42 and 44 of the Nice Classification. Clearly, Respondents-Applicants' application is covered by Opposer's active registrations. Considering that both marks cover goods falling under Class 05, and considering further that Opposer's registration for the mark 'SUPALIV' likewise covers goods under Classes 02, 42 and 44 of the Nice Classification, which classes all relate to medicine and pharmacy, it is clear that both products flow through the same channel of trade.

x x x

"19. The confusing similarity between Respondents-Applicants mark 'SUPALIDE' and the Opposer's mark 'SUPALIV' is highly likely to deceive the purchasers of good on which the mark is being used as to the origin or source of said goods and as their nature, character, quality and characteristics. Indeed, because of said confusing similarity, the purchasing public is likely to mistakenly believe that Respondent-Applicants' products are affiliated, if not manufactured, by the Opposer, and as such, are also likely to conclude, albeit erroneously, that Respondents-Applicants' products are of the same superior quality as Opposer's, much to the detriment of Opposer and the consumers themselves.

"20. Furthermore, the unauthorized use by others of a trademark similar to Opposer's mark 'SUPALIV' will certainly dilute the distinctiveness of said trademarks, and adversely affect the function of the same as indicators of origin, and/or the quality of the product to which they are affixed.

"21. Of greater importance is that allowing the registration of a confusingly similar mark to 'SUPALIV' such as Respondents-Applicants' mark 'SUPALIDE' will cause confusion or possible substitution of products by the dispensing pharmacist which will result in great endangerment to the health and well-being of the consumers.

x x x

"22. Based on the foregoing, it is clear that even a pharmacist who has special technical training to distinguish names of medicines gets confused as what has happened in the foregoing case of the drug Thiamine being read or understood as Thorazine.

"23. In the instant case, considering that Opposer's "SUPALIV" products and Respondents-Applicants' 'SUPALIDE' products are medicines, and flowing thru the same channels of trade, confusion is very likely to occur not only in the mind of the consumers themselves, but on those who are technically trained in the area of names and compositions of medicinal preparations, such as pharmacists or helpers thereto. This likelihood of confusion brings untold or unexpected risks or danger to the life and limb of the consumers.

"24. Opposer is the owner of the trademark 'SUPALIV' which is deemed registered in the IPPhil on 21 July 2008 under Registration No. 4-2007-500382. Being the first to file and secure registration of said mark in the IPPhil. It should bar the registration of the confusingly similar mark 'SUPALIDE' which covers similar or related goods. Opposer, being the prior user and adopter of the mark 'SUPALIV'. In the Philippines and worldwide, has the exclusive right to exclude others from using and registering identical and/or similar marks, under Republic Act 8293 and the Paris Convention.

x x x

"26. Moreover, Respondents-Applicants application for the registration of the trademark 'SUPALIDE' covers goods belonging to Class 05, which class is likewise covered by Opposer's registered mark. To reiterate, Opposer's registration for the mark 'SUPALIV' covers goods under Classes 01, 05, 42 and 44 of the Nice Classification, which classes all relate to medicine and pharmacy. Consequently, the goods covered by Respondents-Applicants and Opposer's classification are identical and/or very closely related goods. As such identical and/or very closely related goods, Respondents-Applicants' trademark application is therefore proscribed by Section 123.1(d), (e), (f) and (g) of the Intellectual Property Code from being granted registration in the Philippines."

x x x

"D. Since Opposer's trademark 'SUPALIV' is internationally well-known, it is entitled to protection against confusingly similar marks covering similar or related goods.

"33. There is no doubt that Opposer's mark 'SUPALIV' is well-known in accordance with the criteria for well-knownness as set forth in the IP Code. Hence, pursuant to the IP Code, relevant Philippine jurisprudence, Paris Convention, and the TRIPS Agreement, the Government of the Republic of the Philippines, through the Intellectual Property Office is mandated to protect Opposer's trademark by rejecting all applications for the registration of identical or confusingly similar marks.

"34. Opposer's trademark 'SUPALIV' is internationally well-known having met the criteria under Rule 102 of the Rules and Regulations on Trademarks, Service Marks, Tradenames and Marked or Stamped Containers. According to Section 123.1 (e) and (f) of the IP Code, a mark cannot be registered if it is identical with, or confusingly similar to well-known marks, such as Opposer's trademark 'SUPALIV'".

The Opposer submitted the following pieces of evidence:

1. Exhibit "A" & "A-1" - Special Power of Attorney with Certificate of Authentication;
2. Exhibit "B" & "B-1" - Verification and Certification of Non-Forum Shopping with Certificate of Authentication;
3. Exhibit "D" to "D-2" - Affidavit of Chrissie Ann L. Barredo and Search Results;
4. Exhibit "E" to "E-2" - Affidavit- Direct Testimony with Certificate of Authentication;
5. Exhibit "E-3" to "E-5" - Certificate of Registration from Republic of Deutschland; and,
6. Exhibit "F" to "F-9" - Affidavit of Maricris Oronea and Downloaded excerpts from Supaliv website

This Bureau issued and served upon the Respondents-Applicants a Notice to Answer on 16 January 2009. Respondents-Applicants however, failed to file an answer. Thus, upon the Opposer's Manifestation and Motion to Declare Respondent-Applicant in Default, and the Comment of the latter, this Bureau in Order No. 2009-1631 dated 11 November 2009 declared Respondents-Applicants in default, submitting this instant case for decision.

Should the Respondent-Applicant's trademark application be allowed?

It is emphasized that the essence of trademark registration is to give protection to the owners 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 or 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.⁵

Thus, Sec. 123.1 (d) of R.A. 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 mark as to be likely to deceive or cause confusion.

Records show that at the time the Respondent-Applicant filed its trademark application on 26 October 2007, the Opposer has already filed its trademark application for its mark SUPALIV on 16 May 2007 and was issued registration on for the mark on 21 July 2008 under Registration No. 42007500382 under Class 01, 05, 42 and 44 of the International Classification of Goods. It has also claim of priority dated 20 November 2006 and 02 February 2007.⁶

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

⁵ Pribhdas J. Mirpuri v. Court of Appeals, G.R. No., 115508, 19 Nov. 1999.

⁶ Trademark Search, available at <http://onlineservices.ipophil.gov.ph/ipophilsearch/trademarks.aspx> (last accessed 24 July 2013).

SUPALIDE

SUPALIV

Opposer's Trademark

Respondents-Applicants' Trademark

This Bureau finds the competing marks are confusingly similar. The features or parts of the competing marks that draw the eyes and ears are the identical first two syllables "SU" and "PA". Moreover, the last syllables "LIDE" and "LIV" for the Opposer and the Respondents-Applicants, respectively, show similarity both in visual and aural appearance. When pronounced, they are almost exactly the same, whether the "i" is spoken in a short or long sound. In conclusion, the competing marks when pronounced sound alike. The only difference between the competing marks are the last two letters "D" and "E" for the Opposer and "V" (without "E") for the Respondent-Applicant. However, this is insignificant and insufficient to confer a character that the two marks are not confusingly similar.

Also, considering the goods carried by the contending marks, there is no doubt that the indicated goods in the Respondent-Applicant's trademark application, i.e. "pharmaceutical products", under Class 05 is broad enough to include also the goods covered by Opposer's registration. As such, the consumers will have the impression that these products originate from a single source or origin or they are associated with one another. The likelihood of confusion therefore, would even subsist not only on the purchaser's perception of the goods but on the origin thereof as held by the Supreme Court.⁷

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. Hence, 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 stressed that the laws on Trademarks and Tradenames is based on the principle of business integrity and common justice. This law, both in letter and spirit is laid upon the premise that, while it encourages fair trade in every way and aims to foster, and not to hamper competition, no one especially a trader, is justified in damaging or jeopardizing other's business by fraud, deceit, trickery or unfair methods of any sort. This necessarily precludes the trading by one dealer upon the good name and reputation built by another.⁸

⁷ Converse Rubber Corporation v. Universal Rubber Products, Inc., et. al. G.R. No. 27906, 08 January 1987.

⁸ See Baltimore Bedding Corp. V. Moses, 182 and 229, 34A (2d) 338.

The Respondent-Applicant in the instant opposition was given the opportunity to explain its side and to defend its trademark application. However, it failed to do so.

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

WHEREFORE, premises considered, the Opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2007-011970 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 29 July 2013.



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