



**UNITED AMERICAN
PHARMACEUTICALS, INC.,**
Opposer,

-versus-

GLAXO GROUP LIMITED,
Respondent- Applicant.

X-----X

} **IPC No. 14-2010-00019**
} Opposition to:
} Appln. Serial No. 4-2009-005013
} Date Filed: 21 May 2009
} **TM: "ZIAGEN"**

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2014 - 155 dated June 13, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, June 13, 2014.

For the Director:


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



UNITED AMERICAN
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- versus -

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GLAXO GROUP LIMITED,
Respondent-Applicant.

Decision No. 2014- 155

DECISION

UNITED AMERICAN PHARMACEUTICALS, INC. ("Opposer")¹ filed an opposition to Trademark Application Serial No. 4-2009-005013. The application, filed by GLAXO GROUP LIMITED ("Respondent-Applicant")², covers the mark ZIAGEN for use on "*anti-viral pharmaceutical preparations and substances*" under class 05 of the International Classification of Goods and Services.³

The Opposer alleges, among other things:

"1. The herein respondent, Glaxo, previously filed an opposition to the application for registration of UAP's mark 'ZEGEN' which was docketed as IPC No. 14-2004-000102 on the ground that it is confusingly similar to the former's mark 'ZIAGEN' x x x;

"2. Notably, in the decision of this Honorable Office dated 16 October 2006, it ruled that there exist confusing similarity between the marks 'ZEGEN' and 'ZIAGEN'. In denying UAP's motion for reconsideration, this Honorable Office affirmed its earlier ruling, that confusing similarity exists. x x x;

"3. Following the arguments in Glaxo in the No. 14-2004-000102 and the ruling of this Honorable Office, the herein application of Glaxo for the registration of the mark 'ZIAGEN' is violative of Sec. 123 of Republic Act No. 8293, otherwise known as the 'Intellectual Property Code of the Philippines', x x x;

"4. Moreover, Glaxo's attempt to register now the mark 'ZIAGEN' shows the intention of Glaxo to unfairly ride on the goodwill of UAP's 'ZEGEN' mark.

The Opposer' evidence includes:⁴

1. printout of the "IPO E-Gazette" containing list of trademarks published for opposition with releasing date 22 September 2009;
2. copy of Notice of Opposition (docketed as IPC No. 14-2004-000102 entitled Glaxo Group Limited versus United American Pharmaceuticals);
3. a copy of this Bureau's Decision No. 2006-111 in IPC No. 14-2004-000102;

¹ A domestic corporation with principal office at 750 Shaw Blvd., Mandaluyong City.

² A foreign corporation with principal office address at Glaxo Wellcome House, Berkeley Avenue, Greenford, Middlesex UB60NN, England.

³ The Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks, based on a multilateral 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 the Registration of Marks concluded in 1957.

⁴ Marked as Exhibits "A" to "I".

4. copy of this Bureau's Resolution No. 2009-11 in IPC No.14-2004-000102;
5. copy of the Notice of Allowance and Payment of Publication Fee in connection with Trademark Application Serial No. 4-2001-005795 for the mark ZEGEN;
6. copy of Declaration of Actual Use of the mark ZEGEN;
7. sample packaging of products bearing the mark ZEGEN;
8. copy of Certificate of Product Registration issued by the Bureau of Food and Drugs ("BFAD") for products under the brand name ZEGEN; and
9. copy of a "certification" containing sales data regarding products bearing the mark ZEGEN.

The Respondent-Applicant filed its Answer on 23 June 2010 alleging among other things, the following:

"1. Respondent-Applicant is the owner of the trademark ZIAGEN in class 05.

"11.1 The mark ZIAGEN was first registered on March 10, 1997 in the countries of Ireland, Benelux, and Pakistan.

"11.2 On July 11, 1997, the Glaxo Group Limited filed a trademark application with the Intellectual Property Office (IPO) for ZIAGEN under Serial No. 4-1997-122575 for 'anti-viral pharmaceutical preparations and substances, sold under prescription.'

"11.3 On July 26, 2002 Glaxo Group Limited was granted Philippine Trademark Registration No. 4-1997-122575 for ZIAGEN.

"11.4 ZIAGEN trademark is also registered in various countries worldwide, namely: United Kingdom, Dominican Republic, Republic of Honduras, Republic of South Africa, Portugal, Democratic Republic of Congo, France, Cyprus, Bosnia and Herzegovina, Netherlands Antilles, European Union, Serbia and Montenegro, Republic of Mozambique, Russian Federation, Morocco, Republic of Botswana, Nicaragua, West Bank, African Union (OAPI), Turkey, Canada, Israel, United Arab Emirates, Kingdom of Cambodia, Slovak Republic, Denmark, Thailand, Kingdom of Saudi Arabia, Republic of Federation of Brazil, Democratic People's Republic of Korea, Republic of Poland, and Panama.

"12. On August 9, 2001 or more than four years after the filing of Philippine Trademark Application No. 4-1997-122575 for ZIAGEN, Opposer filed Philippine Trademark Application No. 4-2001-005795 for ZEGEN also in class 05 for 'anti-infective medicinal preparation.'

"13. After the publication of Opposer's trademark application, Glaxo Group Limited, on July 30, 2004, timely filed its Opposition against Philippine Trademark Application No. 4-2001-005795 for 'ZEGEN', in a case entitled 'Glaxo Group Limited vs. United American Pharmaceuticals, Inc.' and docketed as IPC No.14-2004-00102. x x x

"14. On October 16, 2006, this Honorable Office issued a decision sustaining the Opposition filed by Glaxo Group Limited against the trademark application for ZEGEN, x x x

"15. Opposer filed a Motion for Reconsideration. However, in a Resolution dated February 05, 2009, this Honorable Office denied the Motion for Reconsideration filed by the Opposer, x x x

"16. On March 25, 2009, Opposer filed an appeal with the Office of the Director General. To date, the Office of the Director General has not yet issued a Decision.

"17. Meanwhile the filing of the 5th anniversary affidavit of use for ZIAGEN with Philippine Trademark Registration No. 4-1997-122575 was due on July 26, 2008.

However, Glaxo Group Limited was not able to file the 5th anniversary affidavit of use for the said mark.

"18. The Glaxo Group Limited, therefore, re-filed the trademark application for the mark ZIAGEN in class 05 for 'anti-viral pharmaceutical applications and substances, sold only under prescription' with the IPO under Serial No.4-2009-005013.

"19. The Glaxo Group Limited subsequently assigned Philippine Trademark Application No. 4-2009-005013 for ZIAGEN to ViiV Healthcare UK Limited, a company organized under the laws of England, with business address at 980 Great West Road Brentford, Middlesex, TW8 9GS, England. The assignee ViiV Healthcare UK Limited is a member of the ViiV Healthcare Group, which is 85% owned by the Glaxo Smith Kline group. The deed of assignment was executed by the foregoing parties on June 10, 2010.

"20. Given these facts, and contrary to Opposer's contention, Respondent-applicant's Philippine Trademark Application No. 4-2009-005013 for ZIAGEN, does not violate Section 123.1 (d) of Republic Act No. 8293.

x x x

"20.2. Section 123.1(d) of R.A. 8293 is clearly not applicable to the present case as firstly, Opposer's mark ZEGEN is not a registered mark; secondly, it was Respondent-applicant who first filed the trademark application for ZIAGEN on July 11, 1997, or more than four (4) years earlier than Opposer's filing of the trademark application for the confusingly similar ZEGEN on August 09, 2001; and thirdly, ZIAGEN was granted Philippine Trademark Registration No. 4-1997-122575 on July 26, 2002.

x x x

"21. Contrary to Opposer's arguments, Respondent-applicant's registration of the mark 'ZIAGEN' is not also an attempt by Respondent-applicant to ride on an alleged goodwill of the Opposer's mark ZEGEN.

x x x

"22. The allegations of use by Opposer as shown by its Certificate of Product registration (CPR) issued by the Bureau of Food and Drugs, and a certification issued by IMS Health Philippines, Inc., only serve to prove Opposer's bad faith in marketing its products in class 05 bearing the confusingly similar trademark ZEGEN, despite knowledge of the earlier filed trademark application for ZIAGEN and the decisions of the Bureau of Legal Affairs (BLA) sustaining the issue of confusing similarity.

"23. Opposer's allegation that it is likely to be damaged by the registration of Respondent-applicant's mark ZIAGEN is baseless. Respondent-applicant respectfully states that it is the party likely to be damaged by the registration of Opposer's ZEGEN mark in class 05.

x x x

"24. Lastly, the Opposition filed by Opposer should be dismissed for Opposer's failure to file an Affidavit in support thereof, thereby violating Section 5 and Section 7.1 of the Amendments to the Regulations on Inter Partes Proceedings (As amended by Office Order No. 18, s. 1998 and as modified by Office Order No. 12, s. 2002) of Office Order No. 79, series of 2005."

The Respondent-Applicant's evidence consists of the following:⁵

1. Affidavit of Atty. Marc Anthony Cox;

⁵ The Respondent-Applicant also marked its documentary evidence alphabetically: Exhibits "A" to "K", inclusive.

2. print-out of the details of Philippine Trademark Reg. No. 4-1997-122575 for ZIAGEN;
3. certified true copy of the opposition case docketed as IPC No. 14-2004-00102;
4. certified copy of this Bureau's decision in IPC No. 14-2004-00102;
5. certified copy of this Bureau's resolution in IPC No. 14-2004-00102;
6. certified copy of Philippine Trademark Application No. 4-2009-005013 for the mark ZIAGEN;
7. Deed of Assignment between Glaxo Group Limited and ViiV Healthcare filed with the Intellectual Property Office of the Philippines and the proof of recordal thereof;
8. list of worldwide trademark registrations for ZIAGEN;
9. certified copies of ZIAGEN trademark registrations in various countries;
10. copies of the Certificate of Product Registration for ZIAGEN issued by BFAD and the filing receipt for the renewal thereof;
11. printouts of pages from the ZIAGEN and ViiV Healthcare websites;
12. advertisements for ZIAGEN;
13. sample packaging product bearing the mark ZIAGEN; and
14. photographs of ZIAGEN products.

The case was referred to mediation, but the parties failed to settle amicably. Then after, the preliminary conference was conducted and terminated on 07 October 2013.

The Opposer anchors its opposition on Sec. 123.1(d) of the IP Code which provides that a mark shall not 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.

In this regard, Trademark Application Serial No. 4-2009-005013 has a filing date of 21 May 2009. On the other hand, the Opposer's trademark application for ZEGEN (Serial No. 4-2001-005795) covering "*anti-infective medicinal preparations*", was filed on 09 August 2001. Thus, the Respondent-Applicant's trademark application is proscribed by the afore-quoted provision of the IP Code.

The Respondent-Applicant, however, argues that Sec. 123.1(d) of the IP Code is not applicable. It cites its Trademark Application No. 4-1997-122575 for ZIAGEN filed on 11 July 1997 and which matured into registration on 26 July 2002. Trademark application/registration No. 4-1997-122575 was the basis for the Respondent-Applicant in contesting the Opposer's Trademark Application Serial No. 4-2001-005795 (IPC No. 14-2004-00102). This Bureau sustained the opposition to Trademark Application No. 4-2001-005795 on the ground that ZEGEN and ZIAGEN are confusingly similar. After this Bureau's denial of the motion for reconsideration of the decision, the case was elevated to the Director General.

In his decision dated 12 September 2011, the Director General granted the appeal thereby giving due course to the Trademark Application Serial No. 4-2001-005795. The Director General held:

"The Appellee's opposition is anchored on the existence of its trademark registration for ZIAGEN which it claims to be confusingly similar with ZEGEN. However, this certificate of registration was cancelled by the Bureau of Trademarks under Cancellation Order No. 2009-1, Series of 2009, issued on 20 July 2009. In addition,

there is nothing in the records which indicate that the Appellee has used ZIAGEN in the market. On the other hand, the Appellee even submitted a Declaration of Non-Use ('DNU').

x x x

"In this regard, the Appellee's opposition has no more leg to stand on. There is nothing in the records that may indicate that the registration of ZEGEN would damage the Appellee and cause confusion or deception to the buying public. The products of the parties are pharmaceutical products that need regulatory approval before these can be launched in the market. The Appellant has shown that ZEGEN is available to the public which implies that the product has already acquired the pertinent regulatory approval as borne out by the Certificate of Product Registration issued by the BFAD for the brand name ZEGEN, submitted as evidence by the Appellant. On the other hand, there is no evidence that ZIAGEN is available in the market."

The Director General's decision was elevated to the Court of Appeals⁶. But the Respondent-Applicant failed to comply with the Court of Appeal's Resolution of 14 December 2011 requiring said party to submit a clearly legible duplicate original or a certified true copy of the Director General's decision. The Court of Appeals dismissed the petition for review per Resolution dated 13 February 2012. While the Respondent-Applicant was granted by the Supreme Court an extension of the period to file a petition for review on certiorari, it failed to file the petition prompting the Court's Second Division to issue a Resolution on 17 September 2012 declaring the case closed and terminated⁷. Accordingly, the Court of Appeals issued an Entry of Judgment stating that its Resolution of 17 September 2012 became final and executory on 31 October 2012.

Thus, Trademark Reg. No. 4-1997-122575 no longer exists. As between the parties, the earlier and existing application is the Opposer's Application Serial No. 4-2001-005795. Moreover, the Director General took into account the basis of the cancellation of Reg. No. 4-1997-122575 in resolving that the Opposer's right to register the mark ZEGEN is superior than that of the Respondent-Applicant's in respect of the mark ZIAGEN, to wit:

"The Appellee's position that it has prior rights over the registration of ZEGEN in view of its certificates of registration for ZIAGEN from various countries worldwide and that it has made substantial investments in the development and adoption of ZIAGEN are not tenable in view of the fact that from 11 July 1997, when it filed its trademark application in the Philippines, up to the present, the Appellee has not used, ZIAGEN in the Philippines. The Appellee has not shown that notwithstanding the cancellation of ZIAGEN, it still intends to use and market in the Philippines the products bearing the mark ZIAGEN. In fact, the lapse of the period of 1997 to 2009 without the Appellee using ZIAGEN is enough proof to show that that it has abandoned the use of ZIAGEN."

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2009-005013 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City. 13 June 2014.


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

⁶ CA-G.R. No. SP-121505.

⁷ G.R. No. 202240.