



UNITED LABORATORIES, INC.,
Opposer,

-versus-

THE GENERICS PHARMACY, INC.,
Respondent- Applicant.

X-----X

} IPC No. 14-2012-00312
} Opposition to:
} Appln. Serial No. 4-2012-004179
} Date Filed: 03 April 2012
} TM: "CURELAX"
}
}
}
}

NOTICE OF DECISION

OCHAVE & ESCALONA
Counsel for Opposer
66 United Street
Mandaluyong City

THE GENERICS PHARMACY, INC.
Respondent-Applicant
459 Quezon Avenue
Quezon City

GREETINGS:

Please be informed that Decision No. 2014 - 08 dated January 06, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, January 06, 2014.

For the Director:


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



UNITED LABORATORIES, INC.	}	IPC No. 14-2012-00312
<i>Opposer,</i>	}	Case Filed: 04 July 2012
	}	Opposition to:
- <i>versus</i> -	}	Application No. 4-2012-004179
	}	Date Filed: 03 April 2012
	}	Trademark: "CURELAX"
THE GENERICS PHARMACY, INC.,	}	
<i>Respondent-Applicant.</i>	}	
x-----x		Decision No. 2014- <u>08</u>

DECISION

UNITED LABORATORIES, INC.¹ ("Opposer") filed on 04 July 2012 a Verified Notice of Opposition to Trademark Application Serial No. 4-2012-004179. The application, filed by The Generics Pharmacy, Inc.² ("Respondent-Applicant"), covers the mark "CURELAX" for use on "*pharmaceutical preparations*" under Class 05 of the International Classification of Goods and Services.³

The Opposer alleges that the mark sought to be registered by the Respondent-Applicant is practically identical in sound and appearance or is confusingly similar with the Opposer's. Opposer's application on 16 December 2011 preceded that of Respondent-applicant's trademark application on 03 April 2012. By virtue thereof, Opposer claims that it has acquired an exclusive ownership over the trademark SURELAX to the exclusion of all others. The Opposer thus posits that being the true and legitimate owner of the trademark SURELAX, Opposer, and not the Respondent-Applicant, is entitled to register the same. According to the Opposer:

x x x

"GROUNDS FOR OPPOSITION

"The grounds for this *Verified Notice of Opposition* are as follows:

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

¹ A domestic corporation duly organized and existing under the laws of Philippines, with office address at 66 United Street, Mandaluyong City, Philippines.
² With office address at 459 Quezon Avenue, Quezon City, Philippines.
³ The Nice Classification is a classification of goods and services for the purpose of registering trademark and service marks, based on a 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 Purposes of the Registration of Marks concluded in 1957.

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

"9. The registration of the mark 'CURELAX' in the name of the Respondent-Applicant will violate Sec. 123 of the IP Code, which provides, in part, that a mark cannot be registered if it:

x x x

"10. 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.

"ALLEGATIONS IN SUPPORT OF THE OPPOSITION

"In support of this *Verified Notice of Opposition*, Opposer will rely upon and prove the following facts:

"11. Opposer is the owner of the trademark 'SURELAX'. It is engaged in the marketing and sale of a wide range of pharmaceutical products.

"11.1. The trademark application for the trademark 'SURELAX' was filed with the IPO by Opposer on 16 December 2011. A certified true copy of the *Acknowledgement* is hereto attached and made an integral part hereof as Exhibit 'B'. Also, a certified true copy of the Notice of Allowance dated 17 February 2012 is hereto attached and made an integral part hereof as Exhibit 'C'.

"11.2. On 26 April 2012, the trademark application for the trademark 'SURELAX' was approved for registration by the IPO to be valid for a period of ten (10) years, or until 26 April 2022. A print out of the IPO Website showing the registration of the trademark 'SURELAX' is hereto attached and made an integral part hereof as Exhibit 'D'.

"12. By virtue of the foregoing, there is no doubt that Opposer has acquired an exclusive ownership over the trademark 'SURELAX' to the exclusion of all others.

"13. 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.'

"14. The registration of Respondent-Applicant's mark 'CURELAX' will be contrary to Section 123.1 (d) of the IP Code. 'CURELAX' is confusingly similar to Opposer's trademark 'SURELAX'.

"14.1. 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.

"14.1.1. In *Societe' Des Produits Nestle', S.A. vs. Court of Appeals* (356 SCRA 207, 216 [2001]), the Supreme Court, citing *Ethepa vs. Director of Patents* (16 SCRA 495, 497-498 [1966]), held 'In determining if colorable imitation exists, jurisprudence has developed two kinds of tests - the Dominancy Test and the Holistic Test. The test of dominancy focuses on the similarity of the prevalent features of the competing trademarks which might cause confusion or deception and thus constitute infringement. On the other side of the spectrum, the holistic test mandates that the entirety of the marks in question must be considered in determining confusing similarity.'

"14.1.2. It is worthy to note at this point that in *Societe' Des Produits Nestle', S.A. vs. Court of Appeals* (*supra*, p. 221) the Supreme Court held '[T]he totality or holistic test only relies on visual comparison between two trademarks whereas the dominancy test relies not only on the visual but also on the aural and connotative comparisons and overall impressions between the two trademarks.'

"14.1.3. Relative thereto, the Supreme Court in *McDonald's Corporation vs. L.C. Big Mak Burger, Inc.* (437 SCRA 10, 32-33 [2004]) held:

x x x

"14.1.4. This was affirmed in *McDonald's Corporation vs. Macjoy Fastfood Corporation* (514 SCRA 95, 109 [2007]), which held that, '[t]he Court has consistently used and applied the dominancy test in determining confusing similarity or likelihood of confusion between competing trademarks.'

"14.1.5. In fact, the dominancy test is 'now explicitly incorporated into law in Section 155.1 of the Intellectual Property Code, which defines infringement as the colorable imitation of a registered mark xxx or a dominant feature thereof.'

"14.1.6. Thus, applying the dominancy test in the instant case, it can be readily concluded that the mark 'CURELAX', owned by Respondent-Applicant, so resembles Opposer's trademark 'SURELAX', that it will likely cause confusion, mistake and deception on the part of the purchasing public.

"14.1.6. 1. Respondent-Applicant's mark 'CURELAX' appears and sounds almost the same as Opposer's trademark 'SURELAX'.

"14.1.6. 2. Both marks are composed of seven (7) letters 'C-U-R-E-L-A-X' and 'S-U-R-E-L-A-X'.

"14.1.6. 3. Both marks are composed of two (2) syllables '/CURE/-/LAX/' and '/SURE/-/LAX/'.

"14.1.6.4. Respondent-Applicant merely changed the first letter of Opposer's trademark 'SURELAX' from letter 'S' to letter 'C' in arriving at Respondent-Applicant's mark 'CURELAX'.

"14.1.7. Clearly, Respondent-Applicant's mark 'CURELAX' adopted the dominant features of the Opposer's trademark 'SURELAX'.

"14.1.8. As further ruled by the High Court in the *McDonald's Corporation case* (supra, p. 33-34 [2004]):

x x x

"14.1.9. In *American Wire & Cable Co., vs. Director of Patents* (31 SCRA 544, 547-548 [1970]), the Supreme Court explained:

x x x

"14.2. Opposer's trademark 'SURELAX' and Respondent-Applicant's mark 'CURELAX' are practically identical marks in sound and appearance that they leave the same commercial impression upon the public.

"14.3. Thus, the two marks can easily be confused for one over the other, most especially considering that the opposed mark 'CURELAX' is applied for the same class and goods as that of Opposer's trademark 'SURELAX' under Class 05 of the International Classification of Goods as Pharmaceutical Preparations.

"14.4. Opposer's intellectual property right over its trademark is protected under Section 147 of the IP Code, which states:

x x x

"15. To allow Respondent-Applicant to continue to market its products bearing the mark 'CURELAX' undermines Opposer's right to its trademark 'SURELAX'. As the lawful owner of the trademark 'SURELAX', 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.

"15.1. Being the lawful owner of 'SURELAX', Opposer has the exclusive right to use and/or appropriate the said marks 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.

"15.2. By reason of Opposer's ownership of the trademark 'SURELAX', 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.

"15.3. Moreover, following the illustrative list of confusingly similar sounds in trademarks cited in the *McDonald's Corporation* case (*supra*, p. 34 [2004]), it is evident that Respondent-Applicant's mark 'CURELAX' is aurally confusingly similar to Opposer's trademark 'SURELAX':

"The following random list of confusingly similar sounds in the matter of trademarks, culled from Nims, *Unfair Competition and Trade Marks*, 1947, Vol. 1, will reinforce our view that 'SALOPAS' and 'LIONPAS' are confusingly similar in sound: 'Gold Dust' and 'Gold Drop'; 'Jantzen' and 'Jass-Sea'; 'Silver Flash' and 'Supper Flash'; 'Cascarete' and 'Celborite'; 'Celluloid' and 'Cellonite'; 'Chartreuse' and 'Charseurs'; 'Cutex' and 'Cuticlean'; 'Hebe' and 'Meje'; 'Kotex' and 'Femetex'; 'Zuso' and 'Hoo Hoo'. Leon Amdur, in his book 'Trade-Mark Law and Practice', pp. 419-421, cites, as coming within the purview of the idem sonans rule, 'Yusea' and 'U-C-A', 'Steinway Pianos' and 'Steinberg Pianos', and 'Seven-Up' and 'Lemon-Up'. In *Co Tiong vs. Director of Patents*, this Court unequivocally said that 'Celdura' and 'Cordura' are confusingly similar in sound; this Court held in *Sapolin Co. vs. Balmaceda*, 67 Phil. 795 that the name 'Lusolin' is an infringement of the trademark 'Sapolin', as the sound of the two names is almost the same.

"15.4. Further, the fact that Respondent-Applicant seeks to have its mark 'CURELAX' registered in the same class (Nice Classification 05) as Opposer's trademark 'SURELAX', coupled by the fact that both are Pharmaceutical Preparations, will undoubtedly add to the likelihood of confusion among the purchasers of these two goods:

"16. The registration and use of Respondent-Applicant's confusingly similar mark 'CURELAX' on its goods will enable the latter to obtain benefit from Opposer's reputation, goodwill and advertising and will tend to deceive and/or confuse the public into believing that Respondent-Applicant is in any way connected with the Opposer.

"16.1. As held in *Sterling Products International, Inc. vs. Farbenfabriken Bayer Aktiengesellschaft, et. al.* (27 SCRA 1214, 1227 [1968]) there are two types of confusion in trademark infringement. '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 be deceived either into that belief or into the belief that there is some connection between the plaintiff and defendant which, in fact, does not exist.'

"16.2. 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 a trademark or trade name has a property right in 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.' (*Ang vs. Teodoro*, 74 Phil 50, 55-56 [1942]).

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

"16.4. In *Canon Kabushiki Kaisha vs. Court of Appeals* (336 SCRA 266, 275 [2000]), the Supreme Court explained that:

x x x

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

"17. Respondent-Applicant's use of the mark 'CURELAX' in relation to any of the goods covered by the opposed application, if these goods are considered not similar or closely related to the goods covered by Opposer's trademark 'SURELAX', will take unfair advantage of, dilute and diminish the distinctive character or reputation of the latter trademark. Potential damage to Opposer will be caused as a result of its inability to control the quality of the products put on the market by Respondent-Applicant under the mark 'CURELAX'. Thus, Opposer's interests are likely to be damaged by the registration and use of the Respondent-Applicant of the mark 'CURELAX'. The denial of the application subject of this opposition is authorized under the IP Code.

"18. In support of the foregoing, the instant *Notice of Opposition* is herein verified by Mr. Jose Maria A. Ochave, which will likewise serve as his Affidavit. (*Nasser vs. Court of Appeals*, 191 SCRA 783, 792-793 [1990]).

The Opposer's evidence consists of copies of the pertinent pages of the IPO E-Gazette with releasing date of 04 June 2012; a certified true copy of the Acknowledgement admitting receipt of Trademark Application No. 4-2011-015033 on 16 December 2011 ; a certified true copy of the Notice of Allowance of Trademark Application No. 4-2011-015033 dated 17 February 2012; and a print-out of the IPO Website showing the registration of the trademark 'SURELAX'.⁴

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant, The Generics Pharmacy, Inc., on 23 July 2012. The Respondent-Applicant, however, did not file an Answer.

⁴ Marked as Exhibits "A" to "D", inclusive.

Should the Respondent-Applicant be allowed to register the trademark CURELAX?

It is emphasized that 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 product.⁵

Thus, Sec. 123.1 (d) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code") provides:

- (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;"

Records show that Opposer's filing of their trademark application on 16 December 2011 preceded the Respondent-Applicant's trademark application (03 April 2012). Also, the Respondent-Applicant's application covers goods that are similar and/or closely related to the Opposer's, particularly, pharmaceutical preparations.

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

SURELAX

Opposer's trademark

CURELAX

Respondent-Applicant's mark

In this case, Respondent-Applicant's mark CURELAX is nearly identical to Opposer's trademark SURELAX. Both are eight-letter word marks and bearing the same letters URELAX. They are pronounced and spelled the same. The letter "C" at times may be read as "S", as in the words cilantro, cessation and cesarean, thus, CURELAX is confusingly similar to Opposer's

⁵ *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 November 1999, citing *Ethepa v. Director of Patents, supra*, *Gabriel v. Perez*, 55 SCRA 406 (1974). See also Article 15, par. (1), Art. 16, par. (1), of the Trade Related Aspects of Intellectual Property (TRIPS Agreement).

SURELAX. Respondent-Applicant's mark CURELAX covers "*pharmaceutical preparations*" under Class 05, goods which the Opposer deals in under the mark SURELAX. It is likely therefore, that a consumer who wishes to buy pharmaceutical products and is confronted with the mark CURELAX, will think or assume that the mark or brand is just a variation of or is affiliated with the Opposer's.

The confusion or mistake would subsist not only on the purchaser's perception of goods but on the origin thereof as held by the Supreme Court, to wit:

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinary 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.⁶

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2012-004179 is hereby SUSTAINED. Let the filewrapper of the subject trademark application be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 06 January 2014.


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

⁶ *Converse Rubber Corp. v. Universal Rubber Products, Inc. et. al.*, G.R. No. L-27906, 08 Jan. 1987.