BIOMEDIC, INC., Opposer, **-versus-** **BAYER CONSUMER CARE AG,** Respondent - Applicant.	}	**IPC No. 14-2009-00086** Opposition to: Appln. Serial No. 4-2008-007039 Date filed: 16 June 2008 **TM: "RENNIE"**

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2014 - 261 dated October 23, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, October 23, 2014.

For the Director:

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

BIOMEDIS, INC.,	}	**IPC No. 14-2009-00086**
Opposer,	}	**Case Filed: 23 March 2009**
	}	**Opposition to:**
-versus-	}	**Application No. 4-2008-007039**
	}	**Date Filed: 16 June 2008**
	}	**Trademark: "RENNIE"**
BAYER CONSUMER CARE AG,	}	
Respondent-Applicant.	}	
x----------x		***Decision No. 2014-*** 261

DECISION

BIOMEDIS, INC.[1] ("Opposer") filed an opposition to Trademark Application Serial No. 4-2008-007039. The application, filed by Bayer Consumer Care AG[2] ("Respondent-Applicant"), covers the mark "RENNIE" for use on "*medicated preparations for human use in the treatment of indigestion, acidity and similar digestive ailments*" under Class 05 of the International Classification of Goods and Services.[3]

The Opposer alleges:

x x x

"GROUNDS FOR OPPOSITION

"The grounds for this opposition are as follows:

"1. The trademark 'RENNIE' so resembles 'REININ' trademark owned by Opposer, registered with this Honorable Office prior to the publication for opposition of the mark 'RENNIE'. The trademark 'RENNIE', which is owned by Respondent, will likely cause confusion, mistake and deception on the part of the purchasing public, most especially considering that the opposed trademark "RENNIE" is applied for the same class of goods as that of the trademark "REININ", i.e. Class (5).

"2. The registration of the trademark 'RENNIE' in the name of the Respondent will violate Sec. 123 of Republic Act No. 8293, otherwise known as the 'Intellectual Property Code of the Philippines', which provides, in part, that a mark cannot be registered if it:

x x x

[1] A domestic corporation organized and existing under the laws of the Republic of the Philippines with principal office located at 750 Shaw Boulevard, Mandaluyong City.
[2] A foreign corporation with address at Peter Merian Str. 84, 4052 Basel, Switzerland.
[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.

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

"3. Respondent's use and registration of the trademark 'RENNIE' will diminish the distinctiveness and dilute the goodwill of Opposer's trademark 'REININ'.

"ALLEGATIONS IN SUPPORT OF THE OPPOSITION

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

"4. Opposer, the registered owner of the trademark 'REININ', is engaged in the marketing and sale of a wide range of pharmaceutical products. The Trademark Application for the trademark 'REININ' was filed with the Intellectual Property Office on 18 November 2004 by Opposer and was approved for registration by this Honorable Office on 10 March 2006 and valid for a period of ten (10) years. Hence, Opposer's registration of the 'REININ' trademark subsists and remains valid to date. x x x

"5. The trademark 'REININ' has been extensively used in commerce in the Philippines.

"5.1 Opposer dutifully filed Declaration of Actual Use pursuant to the requirement of law, to maintain the registration of 'REININ' in force and effect. x x x

"5.2 A sample product label bearing the trademark 'REININ' actually used in commerce is hereto attached as Annex 'D'.

"5.3 In order to legally market, distribute and sell pharmaceutical preparations in the Philippines, Opposer registered the product with the Bureau of Food and Drugs (BFAD). x x x

"6. There is no doubt that by virtue of the above-mentioned Certificate of Registration, the uninterrupted use of the trademark 'REININ', and the fact that it is well known among consumers, the Opposer has acquired an exclusive ownership over the 'REININ' mark to the exclusion of all others.

"7. 'RENNIE' is confusingly similar to 'REININ'.

"7.1 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.

"7.1.1 In fact, in Societe' Des Produits Nestle', S.A. vs. Court of Appeals [356 SCRA 207, 216] the Supreme Court, citing Ethepa v. Director of Patents, held '[i]n 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.

"7.1.2 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."

"7.1.3 Relative thereto, the Supreme Court in McDonalds' Corporation vs. L.C. Big Mak Burger, Inc. [437 SCRA 10] held:

x x x

"7.1.4 Applying the dominancy test, it can be readily concluded that the trademark 'RENNIE', owned by Respondent, so resembles the trademark 'REININ', that it will likely cause confusion, mistake and deception on the part of the purchasing public.

"7.1.4.1 First, 'RENNIE' sounds and appears almost the same as 'REININ';

"7.1.4.2 Second, both marks are composed of two (2) syllables 'REN-NIE';

"7.1.4.3 Third, both marks are composed of six (6) letters;

"7.1.5 Clearly, the Respondent adopted the dominant features of the Opposer's mark 'REININ';

"7.1.6 As further ruled by the High Court in McDonald's case [p33]

x x x

"7.2 The trademark 'REININ' and Respondent's trademark 'RENNIE' are practically identical marks in sound and appearance that they leave the same commercial impression upon the public.

"7.2.1 Thus, the two marks can easily be confused for one over the other, most especially considering that the opposed trademark 'RENNIE' is applied for the same class and goods as that of the trademark 'RENNIE', i.e. Class (5), to the Opposer's extreme damage and prejudice.

"7.3 Yet, Respondent still filed a trademark application for 'RENNIE' despite its knowledge of the existing trademark registration of 'REININ' which is confusingly similar thereto in both its sound and appearance.

"8. Moreover, Opposer's intellectual property right over its trademark is protected under Section 147 of Republic Act No. 8293, otherwise known as the Philippine Intellectual Property Code ('IP Code'), which states:

x x x

"9. To allow Respondent to continue to market its products bearing the 'RENNIE' mark undermines Opposer's right to its marks. As the lawful owner of the marks 'REININ', Opposer is entitled to prevent the Respondent from using a confusingly similar mark in the course of trade where such would likely mislead the public.

"9.1 Being the lawful owner of 'REININ', 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.

"9.2 By virtue of Opposer's ownership of the trademark 'REININ', it also has the right to prevent the third parties, such as Respondent, from claiming ownership over Opposer's marks or any depiction similar thereto, without its authority or consent.

"9.3 Moreover, following the illustrative list of confusingly similar sounds in trademarks which the Supreme Court cited in Mcdonald's Corporation, McGeorge Food Industries, Inc. vs. L.C. Big Mak Burger, Inc., 437 SCRA 268 (2004), it is evident that the mark 'RENNIE' is aurally confusingly similar to Opposer's mark 'REININ'.

"9.4 To allow Respondent to use its 'RENNIE' mark on its product would likely cause confusion or mistake in the mind of the public or deceive purchasers into believing that the 'REININ' product of Respondent originate from or is being manufactured by Opposer, or at the very least, is connected or associated with the 'REININ' product of Opposer, when such connection does not exist.

"9.5 In any event, as between the newcomer, Respondent, which by the confusion loses nothing and gains patronage unjustly by the association of its products bearing the 'RENNIE' mark with the well-known 'REININ' mark, and the first user and actual owner of the well-known mark, Opposer, which by substantial investment of time and resources and by honest dealing has already achieved favor with the public and already possesses goodwill, any doubt should be resolved against the newcomer, Respondent, considering that Respondent, as the latter entrant in the market had a vast range of marks to choose from which would sufficiently distinguish its products from those existing in the market.

"10. By virtue of Opposer's prior and continued use of the trademark 'REININ', the same have become well-known and established valuable goodwill to the consumers and the general public as well. The registration and use of Respondent's confusingly similar trademark 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 is in any way connected with the Opposer.

"11. Likewise, the fact that Respondent seeks to have its mark 'RENNIE' registered in the same class (Nice Classification 5) as the trademark 'REININ' of Opposer will undoubtedly add to the likelihood of confusion among the purchasers of these two goods.

"12. Thus, Opposer's interests are likely to be damaged by the registration and use of the Respondent of the trademark 'RENNIE'. In support of the foregoing, the instant Opposition is herein verified by Mr. Dante Sibug which likewise serves as his affidavit (Nasser v. Court of Appeals, 191 SCRA 783 [1990]).

The Opposer's evidence consists of a copy of the IPO E-Gazette officially released on 20 February 2009; copy of the certificate of registration no. 4-2004-010914; copy of the declaration of actual use for the trademark "REININ"; sample product label bearing the trademark "REININ"; and, a copy of the certificate of product registration issued by the BFAD for the mark "REININ".[4]

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 22 April 2009. Said Respondent-Applicant, however, did not file an Answer.

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

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:

Sec. 123. Registrability. – 123.1. A mark cannot be registered if it:

x x x

(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;"

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[4] Marked as Annexes "A" to "E".

[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).

This Bureau takes cognizance via judicial notice of the fact that, based on the records of the Intellectual Property Office of the Philippines, the Opposer filed a trademark application for REININ on 18 November 2004. The application covers anti-psychotic medicinal preparation under Class 05. On the other hand, the Respondent-Applicant filed the trademark application subject of the opposition on 16 June 2008.

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

Reinin	**RENNIE**
Opposer's trademark	*Respondent-Applicant's mark*

This Bureau noticed that the pharmaceutical products covered by the marks treat different illnesses. However, confusion is likely in this instance because of the close resemblance between the marks and that the goods are for human consumption. Both marks have the same number of letters and syllables: /REI/NIN/ for Opposer's and /REN/NIE/ for Respondent-Applicant's. A mistake in the dispensation of drugs is possible. Likewise, it could result to mistake with respect to perception because the marks sound so similar. Under the idem sonans rule, the following trademarks were held confusingly similar in sound: "BIG MAC" and "BIG MAK"[6], "SAPOLIN" and LUSOLIN"[7], "CELDURA" and "CORDURA"[8], "GOLD DUST" and "GOLD DROP". The Supreme Court ruled that similarity of sound is sufficient ground to rule that two marks are confusingly similar, to wit:

> Two letters of "SALONPAS" are missing in "LIONPAS": the first letter a and the letter s. Be that as it may, when the two words are pronounced, the sound effects are confusingly similar. And where goods are advertised over the radio, similarity in sound is of especial significance...."SALONPAS" and "LIONPAS", when spoken, sound very much alike. Similarity of sound is sufficient ground for this Court to rule that the two marks are confusingly similar when applied to merchandise of the same descriptive properties.[9]

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[6] *MacDonalds Corp, et. al v. L. C. Big Mak Burger* ,G.R. No. L-143993,18 August 2004.

[7] *Sapolin Co. v. Balmaceda and Germann & Co,m 67 Phil, 705.*

[8] *Co Tiong SA v. Director of Patents,* G.R. No. L- 5378, 24 May 1954; *Celanes Corporation of America vs. E. I. Du Pont de Nemours & Co.* (1946), 154 F. 2d 146 148.)

[9] *Marvex Commerical Co., Inc. v.Petra Hawpia & Co., et. al.*, G.R. No. L-19297,22 Dec. 1966.

In conclusion, the subject trademark application is covered by the proscription under Sec. 123.1(d) of the IP Code.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2008-007039 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, 23 October 2014.

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