NOVARTIS AG, Opposer, **-versus-** **HERBANEXT, INC.,** Respondent - Applicant.	}	**IPC No. 14-2012-00015** Opposition to: Appln. Serial No. 4-2011-008404 (Filing Date: 19 July 2011) **TM: "OPTIVIM"**

NOTICE OF DECISION

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HERBANEXT, INC.,
Respondent-Applicant
D.C. Cruz Building, Magsaysay Avenue
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GREETINGS:

Please be informed that Decision No. 2014 - 271 dated October 31, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, October 31, 2014.

For the Director:

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

NOVARTIS AG,
Opposer,

IPC No. 14-2012-00015

Opposition to:
Appln. Serial No.: 4-2011-008404
(Filing Date: 19 July 2011)

HERBANEXT, INC.,
Respondent-Applicant.
x----------x

TM: "OPTIVIM"

Decision No. 2014- 271

DECISION

NOVARTIS AG ("Opposer")[1] filed an opposition to Trademark Application Serial No. 4-2011-008404. The application, filed by HERBANEXT, INC. ("Respondent-Applicant")[2], covers the mark "OPTIVIM" for use on herbal supplement under Class 5 of the International Classification of Goods and Services[3].

The Opposer alleges that OPTIVIM is confusingly similar to its registered trademarks "OTRIVIN" and "OTRIVIN and Device (in color)". According to the Opposer, the registration of OPTIVIM in favor of Respondent-Applicant will violate Sec. 123.1(d) of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"). In support of its opposition, the Opposer submitted in evidence the following:

1. Exhibit "A" – Global Registration portfolio for the marks OTRIVIN and OTRIVIN and DEVICE;
2. Exhibit "B" – Certificate of Registration No. 64383 for the mark OTRIVIN;
3. Exhibit "C" – Certificate of Registration No. 4-2009-001355 for the mark OTRIVIN and DEVICE;
4. Exhibit "D" – Joint Affidavit Testimony of witnesses Mary Leheny and Nazuki Hughes;
5. Exhibit "E" – Novartis AG's Annual Report for the year 2011; and
6. Exhibit "F" – Secretary's Certificate authorizing Mary Leheny and Nazuki Hughes as Novartis AG's representatives in the filing of the instant opposition.

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 23 March 2012. However, the Respondent-Applicant did not file an Answer.

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[1] A corporation duly organized and existing under and by virtue of the laws of Switzerland, with business address at 4002 Basel, Switzerland.

[2] A corporation organized and existing under and by virtue of the laws of the Philippines with address at D.C. Cruz Bldg., Magsaysay Avenue, Singcang, Bacolod City.

[3] The Nice Classification is a classification of goods and services for the purpose of registering trademark and services marks, based on the 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 Purpose of the Registration of Marks concluded in 1957.

Should the Respondent-Applicant trademark application be allowed?

In this regard, Section 123.1 (d) of the 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 is nearly resembles such a mark as to be likely to deceive or cause confusion.

Records show that at the time the Respondent-Applicant filed its trademark application on 19 July 2011, the Opposer has already existing trademark registrations:

1. No. 64383 issued on 22 April 1997 for the OTRIVIN for use pharmaceutical preparations, namely, nasal decongestant under Class 5; and

2. No. 4-2009-001355 issued on 20 August 2009 for OTRIVIN and DEVICE for use on goods under Class 3, 5 and 10, more particularly, pharmaceutical preparations for the treatment of cough, cold, allergy and flu symptoms, food for babies.

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

OTRIVIN OPTIVIM

Opposer's Mark Respondent-Applicant's Mark

Both marks consist of seven letters and its last syllable is the syllable word "TA". There may be differences in the spelling but these are far outweighed by the similarities between the marks. In both marks, what is impressed upon the eyes and the ears are the letters "O", "T", "I", and "V". Actually, when the marks are pronounced, they are almost exactly the same. In this regard trademarks are designed not only for the consumption of the eyes, but also to appeal to the other senses, particularly, the faculty of hearing. Thus, when one talks about the Opposer's trademark or conveys information thereon, what reverberates is the sound made in pronouncing it. The same sound produced by OTRIVIN is practically replicated when one pronounces the Respondent-Applicant's mark. Time and again, the court has taken into account the aural effects of the words and letters contained in the marks in determining the issue of confusing similarity.[4] Thus, in *Marvex Commercial Co., Inc. v. Petra Hawpia & Co., et al*[5]., the Court held:

> 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 "SALONPAS" 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, cities, as coming within the purview of the idem sonans rule, "Yusea" and "U-C-A", "Steinway Pianos" and

[4] *Prosource International Inc. v. Horphag Research Management S. A.*, G. R. No. 180073, 25 November 2009.
[5] G. R. No. L-19297, 22 December 1966.

"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.

In the case at bar, "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 (see Celanese Corporation of America vs. E. I. Du Pont, 154 F. 2d. 146, 148)."

Because the competing marks are used on the same pharmaceutical products, mistake or confusion therefore is likely to occur. In this regard, law does not require that the competing trademarks must be so identical as to produce actual error or mistake; it would be sufficient, for purposes of the law, that the similarity between the two labels is such that there is a possibility or likelihood of the purchaser of the older brand mistaking the newer brand for it.[6]

It is 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 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 products.[7] The mark applied for registration by the Respondent-Applicant does not meet this function.

In conclusion, this Bureau finds that the registration of the mark OPTIVIM in favor of the Respondent-Applicant is proscribed by Sec. 123.1(d) of the IP Code.

WHEREFORE, premises considered the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2011-008404 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 31 October 2014.

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

[6] *American Wire and Cable Co. v. Director of Patents, et. al.* (31 SCRA) G.R. No. L-26557, 18 Feb. 1970.
[7] *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114509, 19 Nov. 1999.