



NOVARTIS AG,  
Opposer,

-versus-

CATHAY DRUG COMPANY, INC.,  
Respondent-Applicant.

IPC No. 14-2013-00164

Opposition to:

Application No. 4-2012-014145

Date filed: 20 November 2012

TM: "PROSTA"

X-----X

### NOTICE OF DECISION

#### E.B. ASTUDILLO & ASSOCIATES

Counsel for the Opposer  
10<sup>th</sup> Floor, Citibank Center  
8741 Paseo de Roxas, Makati City

#### CATHAY DRUG COMPANY, INC.

Respondent-Applicant  
2/F Vernida I Condominium  
120 Amorsolo Street, Legaspi Village  
Makati City

#### GREETINGS:

Please be informed that Decision No. 2015 - 35 dated March 20, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, March 20, 2015.

For the Director:

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





**NOVARTIS AG,**  
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**CATHAY DRUG COMPANY, INC.,**  
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IPC No. 14-2013-00164  
Opposition to Trademark  
Application No. 4-2012-014145  
Date Filed: 20 November 2012  
Trademark: **"PROSTA"**

Decision No. 2015- 35

### DECISION

Novartis AG<sup>1</sup> ("Opposer") filed an opposition to Trademark Application Serial No. 4-2012-014145. The contested application, filed by Cathay Drug Company, Inc.<sup>2</sup> ("Respondent-Applicant"), covers the mark "PROSTA" for use on "*pharmaceutical preparations*" under Class 05 of the International Classification of Goods<sup>3</sup>.

The Opposer anchors its opposition on the provision of Section 123.1 (d) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines (IP Code). It contends that "PROSTA" is confusingly similar to its own registered mark "PROSTERA" in appearance, spelling and pronunciation. It points out that both trademarks cover similar goods and are sold in the same channels of business and trade. It asserts that the registration and use of the mark "PROSTA" will deceive and/or confuse purchasers into believing that the Respondent-Applicant's goods and/or products emanate from or under the sponsorship of the Opposer thereby diminishing the distinctiveness and dilute the goodwill of its own mark.

In support of its Opposition, the Opposer submitted the following as evidence:

1. a copy of the certificate of registration of "PROSTERA";
2. notarized and legalized joint affidavit-testimony of Rene Balibey and Andrea Felbermeir; and
3. its 2012 Annual Report.<sup>4</sup>

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 23 October 2013. The Respondent-Applicant, however, did

<sup>1</sup> A corporation duly organized and existing under and by virtue of the laws of Switzerland, with business address at CH-4002 Basel, Switzerland.

<sup>2</sup> With known address at 2<sup>nd</sup> Floor Vernida I, Amorsolo St., Legaspi Village, Makati City, Metro Manila.

<sup>3</sup> 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.

<sup>4</sup> Marked as Exhibit "A", "C" and "D".



not file an Answer. Accordingly, the Hearing Officer issued on 17 March 2014 Order No. 2014-359 declaring the Respondent-Applicant in default and the case submitted for decision.

The issue to be resolved is whether the Respondent-Applicant's trademark "PROSTA" should be allowed.

Section 123.1 (d) of the IP Code which provides:

**"123.1. A mark cannot 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; xxx"**

Records show that at the time the Respondent-Applicant filed its trademark application on 20 November 2012, the Opposer already has an existing registration for the mark "PROSTERA" under Certificate of No. 4-2009-012581 issued on 08 July 2010.

Are the marks, as shown below, confusingly similar?

**PROSTERA      PROSTA**

*Opposer's mark*

*Respondent-Applicant's mark*

Both marks begin with "PROST" and end with the letter "A". However, "PROST" in the Opposer's mark is obviously derived from the word "prostate" as its certificate of registration shows that its mark cover "*pharmaceutical preparations, namely urologic preparations*" under Class 05. This gives away to the consumers an idea as to the purpose of the pharmaceutical preparation. Hence, this Bureau cannot sustain this opposition on that ground alone. To do so will have the unintended effect of giving the Opposer the exclusive use of "PROST". To determine whether the marks are indeed confusingly similar, there is a need to examine the other features of the competing marks.

In this regard, the Respondent-Applicant's mark appears simply to be a shortened version of the Opposer's as the former merely dropped the letters "E" and "R" in the latter's mark. The resulting mark, "PROSTA", is hardly distinguishable from



"PROSTERA" visually and aurally. Confusion cannot be avoided by merely adding, removing or changing some letters of a registered mark. Confusing similarity exists when there is such a close or ingenious imitation as to be calculated to deceive ordinary persons, or such resemblance to the original as to deceive ordinary purchasers as to cause him to purchase the one supposing it to be the other.<sup>5</sup>

Succinctly, since the marks pertain to similar and/or related goods, there is likelihood that information, assessment, perception or impression of the "PROSTA" products may unfairly cast upon or be attributed to "PROSTERA" products; and vice-versa.

Finally, it is emphasized that the essence of trademark registration is to give protection to the owners of 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 product.<sup>6</sup> Respondent-Applicant's trademark fell short in meeting this function.

**WHEREFORE**, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2012-014145 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

**SO ORDERED.**

Taguig City, 20 March 2015.

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

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<sup>5</sup> Societe des Produits Nestle, S.A. vs. Court of Appeals, GR No. 112012, 04 April 2001.

<sup>6</sup> Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.