



THERAPHARMA, INC.,
Opposer,

-versus-

SUHITAS PHARMACEUTICALS, INC.,
Respondent-Applicant.

x-----x

} **IPC No. 14-2012-00056**
} Opposition to:
} Application No. 4-2011-011117
} Date filed: 16 September 2011
} **TM: "LIPIZAR"**
}
}
}
}

NOTICE OF DECISION

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No. 66 United Street
Mandaluyong City


SUHITAS PHARMACEUTICALS, INC.
Respondent-Applicant
3rd Floor Centerpoint Building
Pasong Tamo corner Export Bank Drive
Makati City

GREETINGS:

Please be informed that Decision No. 2015 - 142 dated June 29, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City , June 29, 2015.

For the Director:


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



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-versus-

SUHITAS PHARMACEUTICALS, INC.

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IPC No. 14-2012-00056

Opposition to:

Application No. 4-2011-011117

Date Filed: 16 September 2011

Trademark: "LIPIZAR"

Decision No. 2015- 142

DECISION

THERAPHARMA, INC.¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2011-011117. The application, filed by SUHITAS PHARMACEUTICALS, INC.² ("Respondent-Applicant"), covers the mark "LIPIZAR" for use on "*pharmaceuticals (anti-hyperlipidaemic)*" 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 Verified Notice of Opposition are as follows:

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

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

"9. The registration of the mark 'LIPIZAR' 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:

xxx

¹A domestic corporation organized and existing under the laws of the Philippines with principal business address at 3rd Floor, Bonaventure Plaza, Ortigas Avenue, Greenhills, San Juan City, Philippines.

²A domestic corporation with principal office address at 3rd Floor Centerpoint Building, Pasong Tamo corner Export Bank Drive, Makati City.

³The 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.

"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:

"10. Opposer, the registered owner of the trademark 'LIFEZAR'.

"10.1. Opposer is engaged in the marketing and sale of a wide range of pharmaceutical products. The trademark application for the trademark 'LIFEZAR' was filed with IPO on 14 May 2004 by Opposer and was approved for registration on 31 October 2005 to be valid for a period of ten (10) years, or until 31 October 2015. A certified true copy of the Certificate of Registration No. 4-2004-004304 for the trademark 'LIFEZAR' is hereto attached x x x

"11. The trademark 'LIFEZAR' has been extensively used in commerce in the Philippines.

"11.1. Opposer has dutifully filed Affidavits of Actual Use and Affidavit of Use pursuant to the requirement of law. Certified true copies of the Declaration of Actual Use and Affidavit of Use are hereto attached x x x.

"11.2. A sample product label bearing the trademark 'LIFEZAR' actually used in commerce is hereto attached x x x.

"11.3. In order to legally market, distribute and sell this pharmaceutical preparation in the Philippines, Opposer registered the product with the Bureau of Food and Drugs ('BFAD'). A certified true copy of the Certificate of Listing of Identical Drug Product No. 00783 issued issued by the BFAD is hereto attached x x x

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

"11.5. 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 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.'

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

"12.1. 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.

"12.1.1. 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.'

"12.1.2 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."

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

x x x

"12.1.4. 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.'

"12.1.5. 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.' x x x

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

"12.1.6.1. Respondent-Applicant's mark 'LIPIZAR' appears and sounds almost the same as Opposer's trademark 'LIFEZAR'.

"12.1.6.2. The first two letters and the last three letters of Respondent-Applicant's mark 'L-I-P-I-Z-A-R' are exactly the same with Opposer's trademark 'L-I-F-E-Z-A-R'.

"12.1.6.3. Both marks are composed of seven (7) letters.

"12.1.6.4. Respondent-Applicant merely changed the second and the third letters of Opposer's trademark 'LIFEZAR' with the letters 'PI' in arriving at Respondent-Applicant's mark 'LIPIZAR'.

"12.1.7. Clearly, Respondent-Applicant's mark 'LIPIZAR' adopted the dominant features of the Opposer's trademark 'LIFEZAR'.

"12.1.8. As further ruled by the High Court in the McDonald's case [p. 33]

x x x

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

x x x

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

"12.3. Thus, the two marks can easily be confused for one over the other, most especially considering that the opposed mark 'LIPIZAR' is applied for the same class and goods as that of Opposer's trademark 'LIFEZAR' under Class 05 of the International Classification of Goods i.e. treatment for hypertension.

"12.4. Yet, Respondent-Applicant still filed a trademark application for 'LIPIZAR' despite its knowledge of the existing trademark registration of 'LIFEZAR', which is confusingly similar thereto in both its sound and appearance, to the extreme damage and prejudice of Opposer.

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

x x x

"12.6. When, as in the present case, one applied for the registration of a trademark or label which is almost the same or very closely resembles one already used and registered by another, the application should be rejected and dismissed outright, even without any opposition on the part of the owner and user of a previously registered label or trademark, this not only to avoid confusion on the part of the public, but also to protect an already used and registered trademark and an established goodwill.' x x x

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

"13.1. Being the lawful owner of the trademark 'LIFEZAR', 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.

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

"13.3 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.*, 147 SCRA 268 (2004), it is evident that the Respondent-Registrant's mark 'LIPIZAR' is aurally confusingly similar to Opposer's mark 'LIFEZAR'.

x x x

"13.4 Further, the fact that Respondent-Applicant seeks to have its mark 'LIPIZAR' registered in the same class (Nice Classification 05) as Opposer's trademark 'LIFEZAR', coupled by the fact that both are treatment for hypertension, will undoubtedly add to the likelihood of confusion among the purchasers of these two goods.

"14. By virtue of Opposer's prior and continued use of the trademark 'LIFEZAR', 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-Applicant's confusingly similar mark 'LIPIZAR' 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.

"14.1. 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.'

"14.2. 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]).

"14.3. Applying the foregoing to the instant case, to allow Respondent-Applicant to use its mark 'LIPIZAR' on its product would likely cause confusion

or mistake in the mind of the public or deceive purchasers into believing that the product of Respondent-Applicant originate from or is being manufactured by Opposer, or at the very least, is connected or associated with the 'LIFEZAR' product of Opposer, when such connection does not exist.

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

x x x

"14.5. 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.

"15. In case of grave doubt, the rule is that, '[a]s between a newcomer] who by confusion has nothing to lose and everything to gain and one who by honest dealing has already achieved favor with the public, any doubt should be resolved against the newcomer [Respondent-Applicant] inasmuch as the field from which he can select a desirable trademark to indicate the origin of his product is obviously a large one.' [Bracketed supplied] (Del Monte Corporation, et. al. vs. Court of Appeals, 181 SCRA 410, 420 [1990])

"15.1. In American Wire & Cable Co., vs. Director of Patents (supra, p. 551), it was observed that:

x x x

"15.2. When, as in the instant case, Respondent-Applicant used, without a reasonable explanation, a confusingly similar, if not at all identical, trademark as that of Opposer 'though the field of its selection was so broad, the inevitable conclusion is that it was done deliberately to deceive.' (Del Monte Corporation, et. al. vs. Court of Appeals, supra, p. 419-420).

"16. Respondent-Applicant's use of the mark 'LIPIZAR' 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 'LIFEZAR', will take unfair advantage of, dilute and diminish the distinctive character or reputation of the latter mark. 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 'LIPIZAR'.

"17. Thus, Opposer's interests are likely to be damaged by the registration and use of the Respondent-Applicant of the mark 'LIPIZAR'. The denial of the application subject of this opposition is authorized under the IP Code.

"20. In support of the foregoing, the instant Notice of Opposition is herein verified by Mr. John E. Dumpit, which will likewise serves as his affidavit (Nasser v. Court of Appeals, 191 SCRA 783 [1990]).

The Opposer's evidence consists of copies of pertinent pages of the IPO E-Gazette released on 02 January 2012; a copy of the Certificate of Registration No. 4-2004-004304 for the trademark LIFEZAR; copies of the Declaration of Actual Use and

Affidavit of Use for the 5th Anniversary filed by Opposer for the trademark 'LIFEZAR'; a sample of product label bearing the trademark LIFEZAR; and a copy of the Certificate of Listing of Identical Drug Product for the brand name LIFEZAR.⁴

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 14 February 2012. Said Respondent-Applicant, however, did not file an Answer.

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

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;"

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 LIFEZAR on 14 May 2004. The application covers anti-hypertensive medicinal preparation under Class 05. On the other hand, the Respondent-Applicant filed the trademark application subject of the opposition on 16 September 2011.

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

⁴Marked as Exhibits "A" and "B"

⁵ *Prihhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 November 1999, citing *Ethepta 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).

Lifezar

LIPIZAR

Opposer's trademark

Respondent-Applicant's mark

This Bureau noticed that the pharmaceutical products covered by the marks are closely-related. Confusion, therefore, is likely in this instance because of the close resemblance between the marks which used the first two letters "LI" and the last syllable ZAR. Hence, 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

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. 4-2011-011117 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, 29 June 2015.


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

⁶ *MacDonalds Corp. et. al v. L. C. Big Mak Burger*. G.R. No. 1-143993, 18 August 2004.

⁷ *Sapolin Co. v. Balmaceda and Germann & Co.*, 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. J. Du Pont de Nemours & Co.* (1946), 154 F. 2d 146 148.)

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