



THERAPHARMA INC.,
Opposer,

-versus-

FMC CORPORATION,
Respondent-Applicant.

x-----x

}
} IPC No. 14-2010-00059
} Opposition to:
} Appln. Serial No. 4-2009-010985
} Date Filed: 27 October 2009
} TM: "VECSTAR"

NOTICE OF DECISION

OCHAVE & ESCALONA
Counsel for the Opposer
No. 66 United Street
Mandaluyong City

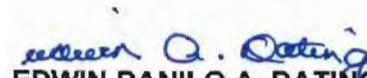
PADLAN SALVADOR COLOMA & ASSOCIATES
Counsel for Respondent-Applicant
Suite 307 3rd Floor, ITC Building 337 Sen Gil Puyat Avenue
Makati City

GREETINGS:

Please be informed that Decision No. 2015 - 190 dated September 15, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, September 15, 2015.

For the Director:


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



THERAPHARMA INC.,

Opposer,

-versus-

FMC CORPORATION,

Respondent-Applicant.

x-----x

IPC No. 14-2010-00059

Case Filed: 24 February 2010

Opposition to:

Application No. 4-2009-010985

Date Filed: 27 October 2009

Trademark: "VECSTAR"

Decision No. 2015- 190

DECISION

THERAPHARMA INC.¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2009-010985. The application, filed by FMC Corporation² ("Respondent-Applicant"), covers the mark "VECSTAR" for use on "pesticides" 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 'VECSTAR' so resembles 'VESTAR' trademark owned by Opposer, registered with this Honorable Office prior to the publication for opposition of the mark 'VECSTAR'. The trademark 'VECSIAR', 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 "VECSTAR" is applied for the same class of goods as that of the trademark "VESTAR", i.e. Class (5).

"2. The registration of the trademark 'VECSTAR' 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

'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.

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

² With address on record at 1735 Market Street, Philadelphia, Pennsylvania, 19103, U.S.A.

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

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

"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 'VESTAR', is engaged in the marketing and sale of a wide range of pharmaceutical products. The Trademark Application for the trademark 'VESTAR' was filed with the Intellectual Property Office on 30 March 2006 by Opposer and was approved for registration by this Honorable Office on 15 January 2007 and valid for a period of ten (10) years. Hence, Opposer's registration of the 'VESTAR' trademark subsists and remains valid to date. x x x

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

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

"5.2 A sample product label bearing the trademark 'VESTAR' actually used in commerce is hereto attached x x x

"5.3 In order to legally market, distribute and sell these pharmaceutical preparations in the Philippines, Opposer registered the products 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 'VESTAR', and the fact that they are well known among consumers, the Opposer has acquired an exclusive ownership over the 'VESTAR' marks to the exclusion of all others.

"7. 'VECSTAR' is confusingly similar to 'VESTAR'.

"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 dominance 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 dominance test, it can be readily concluded that the trademark 'VECSTAR', owned by Respondent, so resembles the trademark 'VESTAR', that it will likely cause confusion, mistake and deception on the part of the purchasing public.

"7.1.4.1 First, 'VECSTAR' sounds almost the same as 'VESTAR';

"7.1.4.2 Second, 'VECSTAR' and 'VESTAR' are almost the same in appearance;

"7.1.4.3 Third, both marks are composed of two (2) syllables i.e. 'VECS-TOR' and 'VES-TAR';

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

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

x x x

"7.2 The trademark 'VECSTAR' and Respondent's trademark 'VESTAR' 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 'VECSTAR' is applied for the same class and goods as that of the trademark 'VESTAR', i.e. Class (5);, to the Opposer's extreme damage and prejudice.

"7.3 Yet, Respondent still filed a trademark application for 'VECSTAR' despite its knowledge of the existing trademark registration of 'VESTAR' 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:

"9. To allow Respondent to continue to market its products bearing the 'VECSTAR' mark undermines Opposer's right to its marks. As the lawful owner of the marks 'VESTAR', 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 'VESTAR', Opposer has the exclusive right to use and/or appropriate the said mark 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 'VECSTAR', 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 'VECSTAR' is aurally confusingly similar to Opposer's mark 'VESTAR'.

"9.4 To allow Respondent to use its 'VECSTAR' mark on its product would likely cause confusion or mistake in the mind of the public or deceive purchasers into believing that the 'VECSTAR' products of Respondent originate from or is being manufactured by Opposer, or at the very least, is connected or associated with the 'VESTAR' products 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 'VECSTAR' mark with the well-known 'VESTAR' 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 'VESTAR', 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 'VECSTAR' registered in the same class (Nice Classification 5) as the trademark 'VESTAR' 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 'VECSTAR'. In support of the foregoing, the instant Opposition is herein verified by Mr. John Dumpit 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 25 January 2010; a copy of the certificate of registration no. 42006003582; a copy of the declaration of actual use filed by Opposer for the trademark "VESTAR"; a sample product label bearing the trademark "VESTAR"; copies of the certificate of product registration issued by the BFAD for the mark "VESTAR"; and a copy of the revalidation letter.⁴

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant, 31 March 2010. Said Respondent-Applicant, however, did not file an Answer.

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

The Opposer anchors its opposition on the following provisions of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"):

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

x xx

- (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;"

Sec. 147.Rights Conferred. - 147.1. The owner of a registered mark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs or containers for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use, of an identical sign for identical goods or services, a likelihood of confusion shall be presumed.

⁴ Marked as Annexes "A" to "F".

Records show that at the time the Respondent-Applicant filed its trademark application on 27 October 2009, the Opposer already has a trademark registration for the mark VESTAR under Reg. No. 3582 issued on 15 January 2007. The registration covers anti-angina medicinal preparation under Class 05.

The marks are shown below:

Vestar

Opposer's trademark

VECSTAR

Respondent-Applicant's mark

In this regard, the pharmaceutical products indicated in Respondent-Applicant's trademark application, pesticides, are different to those covered by Opposer's registration which are medicinal preparations for human consumption. However, the marks closely resemble each other. The first two (2) letters and the last four (4) letters of both marks are the same. Both have two (2) syllables, "VES-TAR" and "VECS-TAR". Respondent-Applicant merely added the letter C in coming up with the mark VECSTAR. In sight and sound, the marks are almost identical. Thus, confusion or mistake is likely to occur. Sec. 123.1 (d) (iii) of the IP Code proscribes the registration of a mark if it nearly resembles such a mark as to be likely to deceive or cause confusion. Because of the risks inherent in the use of pesticides, public safety dictates that the mark VECSTAR of Respondent-Applicant should not be registered, confusion may result in the dispensing of the pesticide instead of the medicine.

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

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2009-010985 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, 15 September 2015.


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