



NOVARTIS AG,
Opposer,

-versus-

SUHITAS PHARMACEUTICALS INC.,
Respondent-Applicant.

x-----x

}
} IPC No. 14-2011-00231
} Opposition to:
} Appln Serial No. 4-2010-009156
} Date Filed: 20 August 2010
} TM: "AZITAS"

NOTICE OF DECISION

E. B. ASTUDILLO & ASSOCIATES

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SUHITAS PHARMACEUTICALS INC.
c/o MARYLOU S. PAGANA
For Respondent-Applicant
3/F Centerpoint Building
Pasong Tamo corner Export Bank Drive
Makati City

GREETINGS:

Please be informed that Decision No. 2015 - 179 dated September 10, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, September 10, 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. 14-2011-00231

Opposition to:

Appln. No. 4-2010-009156

Date Filed: 20 August 2010

Trademark: "AZITAS"

Decision No. 2015 - 179

DECISION

NOVARTIS AG ("Opposer")¹ filed a verified opposition to Trademark Application Serial No. 4-2010-009156. The application, filed by SUHITAS PHARMACEUTICALS INC. ("Respondent-Applicant")², covers the mark "AZITAS" for use on goods under class 5³ namely: pharmaceuticals (antibacterial).

The Opposer alleges the following:

"3. The trademark AZITAS being applied for by respondent-applicant is confusingly similar to opposer's trademark AZYTH, as to be likely, when applied to or used in connection with the goods of respondent-applicant, to cause confusion, mistake and deception on the part of the purchasing public.

"4. The registration of the trademark AZITAS in the name of respondent-applicant will violate Section 123.1, subparagraph (d) of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines.

"5. The registration and use by respondent-applicant of the trademark AZITAS will diminish the distinctiveness and dilute the goodwill of opposer's trademark AZYTH.

"6. The registration of the trademark AZITAS in the name of respondent-applicant is contrary to other provisions of the Intellectual Property Code of the Philippines."

The Opposer's evidence consists of the following:

1. Certificate of Registration No. 4-2007-009510 for trademark AZYTH;
2. Certificate of Product Registration No. DRP-1285 issued by BFAD (now FDA);
3. Certificate of Product Registration No. DRP-1286 issued by BFAD (now FDA);
4. Product packaging of goods bearing the mark AZYTH (box);
5. Product packaging of goods bearing the mark AZYTH (250 mg);
6. Product packaging of goods bearing the mark AZYTH (500 mg);
7. Purchase order of the product bearing the mark AZYTH;
8. Duly authenticated Corporate Secretary's Certificate;

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 Philippines with office address at 3/F Centrepoint Bldg., Pasong Tamo cor. Export Bank Drive, Makati City.

³ The Nice Classification of goods and services is for registering trademark and service marks, based on a multilateral treaty administered by the WIPO, called the Nice Agreement Concerning the International Classification of Goods and Services for Registration of Marks concluded in 1957.

9. Legalized Joint Affidavit-Testimony of Marcus glodbach and Susanne Groeschel-Jofer; and,
10. Pages from Novartis AG's Annual Report for the year 2010.

This Bureau issued and served upon the Respondent-Applicant a Notice to Answer which was received by a certain Lizardo V. Estrella on 25 July 2011. However, this Bureau did not receive an answer and thus, Respondent-Applicant is declared in default and this case is deemed submitted for decision.

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

Records show that Opposer's application for registration of the mark "AZYTH" preceded the Respondent-Applicant's filing of the trademark application. In fact, the Opposer obtained the trademark registration as early as 18 February 2008 under Registration No. 4-2007-009510⁴. The registration covers "*pharmaceutical, veterinary and sanitary preparations, dietetic substances adapted for medical use, food for babies, plasters, materials for dressings, material for stopping teeth, and dental wax*".⁵ The coverage of Opposer's trademark registration includes the goods covered by that of Respondent-Applicant. In this regard, the Respondent-Applicant's trademark application indicated usage of the mark "AZITAS" for "*pharmaceuticals (antibacterial)*."

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

AZYTH

Opposer's Trademark

AZITAS

Respondent-Applicant's Trademark

There is sufficient reason to infer or conclude that the seemingly similar syllables "a/zyth" and/or "a/zi" are derived from the generic word "azithromycin" which is the product covered by the Opposer's and the Respondent-Applicant's respective marks. This observation is supported by the product samples submitted by the Opposer as evidence, which indicates the generic name of the pharmaceutical "AZYTH" covers.⁶ A trademark that consists of, ends or begins with "azyth", as in the case of Opposer's mark, and is used for azithromycin is a suggestive mark and, therefore, a weak mark. There is no real creativity or ingenuity in the adoption of the mark "AZYTH" as the Opposer merely dropped the letters/syllables "ROMYCIN" from azithromycin. The mark or brand name itself suggests or tells the consumers the goods or service it covers and/or the kind, use, purpose or nature thereof.

Descriptive terms, which may be used to describe the product adequately, cannot be monopolized by a single user and are available to all. It is only natural that the trade will prefer those marks which bear some reference to the article itself.⁷ What will set apart or distinguish such mark from another which is also derived from its generic name are three letters and/or syllable that precede or succeed the same. In this instance, the difference between the contending marks is sufficient to eliminate the likelihood of

⁴ Exhibit "A" of Opposer.

⁵ Id.

⁶ Exhibits "D", "E" and "F" of Opposer.

⁷ Ong Ai Gui v. Director of Philippines Patent Office, G.R. No. L-6235, 28 March 1955.

confusing one mark for the other. It is highly unlikely that a consumer will be confused, much more deceived, into believing that Respondent-Applicant's goods originated from the Opposer's. Respondent-Applicant's mark is pronounced as /a-zi-tas/, which is far from Opposer's mark which is simply pronounced with two syllables /a-zith/.

This Bureau, therefore is constrained from sustaining the opposition, to do so would have the unintended effect of giving the Opposer the right to exclude others from appropriating a trademark with prefix "azyth", which is just the shortened version of the generic name *azithromycin*.

WHEREFORE, premises considered, the instant opposition is hereby DISMISSED. Let the filewrapper of Trademark Application Serial No. 4-2010-009156 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 10 September 2015.


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