



UNITED LABORATORIES, INC.,
Opposer,

-versus-

DIAMOND LABORATORIES, INC.,
Respondent-Applicant.

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IPC No. 14-2014-00015
Opposition to:
Appln. No. 4-2013-008228
Date Filed: 12 July 2013
TM: "PARACETAMOL PHENYL-
PROPANOLAMINE HCl
CHLORPHENAMINE MALEATE
DIAZEP"

X-----X

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2015 - 208 dated September 28, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, September 28, 2015.

For the Director:


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



UNITED LABORATORIES, INC.,

Opposer,

-versus-

DIAMOND LABORATORIES, INC.,

Respondent-Applicant.

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IPC No. 14-2014-00015

Opposition to Trademark

Application No. 4-2013-008228

Date Filed: 12 July 2013

Trademark: "**PARACETAMOL PHENYL-
PROPANOLAMINE HCl CHLORPHENA-
MINE MALEATE DIAZEP**"

Decision No. 2015- 208

DECISION

United Laboratories, Inc.¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2013-008228. The application, filed by Diamond Laboratories, Inc.² ("Respondent-Applicant"), covers the mark "PARACETAMOL PHENYLPROPANOLAMINE HCl CHLORPHENAMINE HCl CHLORPHENAMINE MALEATE DIAZEP" for use on "*paracetamol phenylpropranolamine hcl chlorphenamine maleate diazep*" under Class 05 of the International Classification of Goods³.

The Opposer anchors its Opposition on Section 123.1 (d) of R.A. No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code")⁴. According to the Opposer, "DIAZEP" so resembles its own mark "NEOZEP" as to likely cause confusion, mistake and deception on the part of the purchasing public, most especially as both marks are to be applied for the same class of goods. In support of its Opposition, the Opposer submitted the following as evidence:⁵

1. pertinent page of the IPO E-Gazette;
2. copy of the 1998 petition for renewal showing original registration to be in 1958;
3. certified true copy of Certificate of Registration No. 002329;
4. certified true copy of the Certificate of Product Registration issued by the Bureau of Food and Drugs (BFAD);

¹ A corporation duly organized and existing under and by virtue of the laws of the Philippines, with office address at 66 United Street, Mandaluyong City Philippines.

² Appears to be a Philippine corporation, with office address at No. 8, Feria Rd., Commonwealth Ave., Diliman, Quezon City, Metro Manila.

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.

⁴ Section 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; x x x"

⁵ Marked as Exhibits "A" to "H".

Republic of the Philippines

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5. certified true copies of the Affidavit of Use and Declaration of Actual Use (DAU);
6. sample product label bearing the mark "NEOZEP"; and
7. certification and sales performance issued by the Intercontinental Marketing Services (IMS).

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 25 January 2014. The Respondent-Applicant, however, failed to file an Answer on time. Accordingly, the Hearing Officer issued on 23 May 2014 Order No. 2014-695 declaring the Respondent-Applicant in default and the case deemed submitted for decision.

The primordial issue in this case is whether the trademark application for the mark "PARACETAMOL PHENYLPROPANOLAMINE HCl CHLORPHENAMINE HCl CHLORPHENAMINE MALEATE DIAZEP" should be allowed.

As culled from available records, the Opposer was issued Certificate of Registration No. 002329 for its mark "NEOZEP" on 08 October 1998. Its Petition for Renewal Registration bears a notation that its original Registration Certificate No. 6854 was issued on 08 October 1958.⁶ On the other hand, Respondent-Applicant filed its trademark application on 12 July 2013.

The competing marks are depicted below:

NEOZEP

Opposer's mark

<p>PARACETAMOL PHENYLPROPANOLAMINE HCl CHLORPHENAMINE MALEATE DIAZEP</p>

Respondent-Applicant's mark

What is common between the marks is the syllable "ZEP". In this regard, the suffix "ZEP" has no connection to the products covered by the Opposer's mark, i.e. decongestant and/or analgesic. Thus, the mark "NEOZEP" is highly distinctive. Corollarily, the mere substitution by the Respondent-Applicant of the syllable "DIA" for "NEO" fails to lend the Respondent-Applicant's mark character to sufficiently distinguish it from the Opposer's. Confusing similarity exists when there is such a close or ingenuous imitation as to be calculated to deceive ordinary persons, or such resemblance to the original as to deceive ordinary purchased as to cause him to

⁶ Marked as Exhibit "B".

purchase the one supposing it to be the other.⁷ As held by the Supreme Court in the case of **Del Monte Corporation vs. Court of Appeals**⁸:

"It has been correctly held that side-by-side comparison is not the final test of similarity. Such comparison requires a careful scrutiny to determine in what points the labels of the products differ, as was done by the trial judge. The ordinary buyer does not usually make such scrutiny nor does he usually have the time to do so. The average shopper is usually in a hurry and does not inspect every product on the shelf as if he were browsing in a library. Where the housewife has to return home as soon as possible to her baby or the working woman has to make quick purchases during her off hours, she is apt to be confused by similar labels even if they do have minute differences. The male shopper is worse as he usually does not bother about such distinctions.

The question is not whether the two articles are distinguishable by their label when set side by side but whether the general confusion made by the article upon the eye of the casual purchaser who is unsuspecting and off his guard, is such as to likely result in his confounding it with the original. As observed in several cases, the general impression of the ordinary purchaser, buying under the normally prevalent conditions in trade and giving the attention such purchasers usually give in buying that class of goods is the touchstone."

Moreover, it is of no moment that the Respondent-Applicant added the generic term "PARACETAMOL PHENYLPROPANOLAMINE HCl CHLORPHENAMINE HCl CHLORPHENAMINE MALEATE". Generic terms are those which constitute "the common descriptive name of an article or substance," or comprise the "genus of which the particular product is a species" or are "commonly used as the name or description of a kind of goods," or "imply reference to every member of a genus and the exclusion of individuating characters," or "refer to the basic nature of the wares or services provided rather than to the more idiosyncratic characteristics of a particular product," and are not legally protectable.⁹

Furthermore noteworthy, the sample label bearing the mark "NEOZEP"¹⁰ similarly shows that the latter's generic name and/or active ingredient is "*phenylephrine hcl chlorphenamine maleate paracetamol*". It is settled that the likelihood of confusion extends not only as to the purchaser's perception of the goods but likewise on its origin. Callman notes two types of confusion. 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

⁷ Societe des Produits Nestle, S.A. vs. Court of Appeals, GR No. 112012, 04 April 2001.

⁸ G.R. No. L-78325, 25 January 1990.

⁹ Ibid.

¹⁰ Exhibit "G".

defendant's product is such as might reasonably be assumed to originate with the plaintiff, and the public would then 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."¹¹ As mentioned above, the syllable "ZEP" has no connection or relation to the products involved. Thus, the consumers may have the notion that Opposer expanded business and manufactured a new product by the name "DIAZEP", which could be mistakenly assumed a derivative or variation of "NEOZEP".

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.¹² Respondent-Applicant's trademark fell short in meeting this function.

Accordingly, this Bureau finds and concludes that the Respondent-Applicant's trademark application 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. 4-2013-008228 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 28 September 2015.


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

¹¹ Societe des Produits Nestle, S.A. vs. Dy, G.R. No. 172276, 08 August 2010.

¹² Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.