

ELI LILLY & CO.,
Opposer,

-versus-

ATTY. AMBROSIO V. PADILLA III,
Respondent-Applicant.

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}
} **IPC No. 14-2012-00423**
} Opposition to:
} Appln. Serial No. 4-2012-006876
} Date Filed: 11 June 2012
} **TM: "ZYPDIN"**
}

NOTICE OF DECISION

CASTILLO LAMAN TAN PANTALEON & SAN JOSE

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ATTY. AMBROSIO V. PADILLA III

Respondent-Applicant
Unit 1001, 88 Corporate Center
Sedeno corner Valero Streets
Salcedo Village, Makati City

GREETINGS:

Please be informed that Decision No. 2016 - 20 dated January 11, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, January 11, 2016.

For the Director:

Edwin Danilo A. Dating
Atty. EDWIN DANILO A. DATING

Director III
Bureau of Legal Affairs

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} **Decision No. 2016- 20**

DECISION

ELI LILLY & CO.¹ filed a Verified Opposition to Trademark Application Serial No. 4-2012-006876. The application, filed by ATTY. AMBROSIO V. PADILLA III (Respondent)², covers the mark "ZYPDIN" for use on "pharmaceutical preparation for treatment of oral, or acute and maintenance treatment of schizophrenia and other psychoses, treatment (monotherapy or in combination with lithium or valproate treatment) of acute mania and mixed episodes in bipolar disorder, with or without psychotic features and with or without a rapid cycling course " under Class 5 of the International Classification of Goods³.

The Opposer relies on the following grounds to support its opposition:

"4. Opposer is a global pharmaceutical company engaged in the business of research, development, manufacture, marketing of novel products of high therapeutic value for human medicine, importing, exporting, manufacturing, repacking, preparing for the market, distributing, transporting and promoting the same. It is among the world's 10 leading pharmaceutical companies.

¹ A corporation organized and existing under the laws of the United States of America, with offices at Lilly Corporate Center, Indianapolis, Indiana, 46285, USA.

² Filipino, with address at Unit 1001, 88 Corporate Center, Sedenon corner Valero Sts., Salcedo Village, Makati City

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.

“5. Opposer is the owner of the trademark ZYPREXA for its product *olanzapine* with chemical designation 2-methyl-4 (4-methyl-1-piperazinyl)-10H-thienol[2,3-b][1,5]benzodiazepine. ZYPREXA is indicated for the treatment of schizophrenia. It is a prescription medicine used “to treat bipolar disorder, including: (a) manic or mixed episodes that happen with bipolar I disorder in people age 13 or older; (b) manic or mixed episodes that happen with bipolar I disorder, when used with the medicine lithium or valproate, in adults; (c) long-term treatment of bipolar I disorder in adults; (d) episodes of depression that happen with bipolar I disorder, when used with medicine fluoxetine (Prozac), in adults and (e) episodes of depression that do not get better after two other medicines, also called treatment of resistant depression, when used with the medicine fluoxetine (Prozac), in adults.

“6. In 1996, ZYPREXA was introduced for commercial production and distribution. Opposer coined the fanciful word ZYPREXA as brand name for its product *olanzapine*. ZYPREXA is a word not found in the dictionary and it has no English or foreign translation. ZYPREXA is currently distributed and used in around 125 countries around the world. It is available in the following forms: tablets, in 2.5, 5, 7.5, 10, 15 and 20 mg. each , orally disintegrating tablets in 5, 10, 15, 20 mg. each and liquid contained in ampoules for intra muscular injection (10 mg vial).

“7. Opposer has registered the trademark ZYPREXA with this Honorable Office and was issued Certificate of Trademark Registration No. 4-1996-114428 on September 24, 2005 for goods under Class 5 of the Nice Classification of Goods specifically, “pharmaceutical products, namely antipsychotics”. Meanwhile, its variant ZYPREXA RELPREVV was issued Certificate of Trademark Registration No. 4-2009-011500 on April 29, 2010 also for goods under Class 5 of the Nice Classification of Goods, specifically, “pharmaceutical preparations, namely antipsychotics”.

“8. Since its founding by US Civil War veteran Col Eli Lilly in Indianapolis, Indiana in 1876, Lily has grown to be among the top 10 pharmaceutical companies in the world. Col. Lily envisioned a company that would make medicines of the highest possible quality based on the best science of the day. This vision enables Lily to achieve a firmly established worldwide presence today, operating throughout its network and subsidiaries. Lily’s clinical research is conducted in more than 55 countries, its research and development facilities are located in eight countries; its manufacturing plants are located in 13 countries; and its products are marketed in 125 countries.

“9. In the first quarter of 2012, the total worldwide net sales for ZYPREXA amounted to US\$562.7 million while revenues from sales of ZYPREXA for 2011 were US\$4.62 billion. In 2011, Lilly’s worldwide revenue increased by five

percent, to \$24.29 billion, driven by the collective growth of Cymbalta, insulin products, animal health products, Alimta, Effient, Cialis and with ZYPREXA contributing US\$2.165 billion in sales in the United States and US\$2.456 in other countries, including the Philippines, for total sales of US\$4.62 billion. This proves ZYPREXA's well known reputation and worldwide recognition as an effective anti-psychotic drug.

"10. ZYPREXA has been listed in drugs.com, webMD.com, rxlist.com, PDRhealth.com, emedTV.com and MIMS.com.ph. These listings demonstrate that ZYPREXA has become internationally known not only as an effective drug, but also a mark closely associated with Opposer. In the Philippines, ZYPREXA is distributed by its local affiliate and Zuellig Pharma Corp. Further, ZYPREXA has its own dedicated international website about the product ZYPREXA and how it works.

"11. Opposer has registered its trademark ZYPREXA under Class 5 of the Nice Classification and obtained certificates of registration of the ZYPREXA mark in various countries.

"12. Further the global recognition is evidenced by successful trademark oppositions initiated by Opposer for the past five years against infringers. xxx"

The Opposer's evidence consists of the following:

1. Copy of notarized and authenticated Power of Attorney by Eli Lilly & Co. dated 16 January 2013;
2. Copy of Opposer's Certificate of Existence dated 9 December 2011;
3. Print-out of Opposer's website,
<http://www.lilly.com/about/pages/default.aspx>;
4. Print out of website showing highlights of prescribing information on Zyprexa;
5. Print-out of PDF file;
6. Print out of Medication Guide issued by the US Food and Drug Administration,
<http://www.fda.gov/downloads/Drugs/DrugSafety/UCM134700.pdf>;
7. Copy of Certificate of Registration No. 4-1996-114428 for the mark "ZYPREXA" dated 24 September 2005;
8. Copy of Certificate of Registration No. 4-2009-011500 for "ZYPREXA RELPREVV" dated 29 April 2010;
9. Print - out from Opposer's website showing information on manufacturing plants, research and development facilities;
10. Print-out of 2012 Annual Report of Eli Lilly;

11. Print-out from websites: WebMD.com, Rxlist.com, PDR Health website, eMedTV.com, mim.com.ph, showing drug information and pharmaceutical information;
12. Copies trademark registrations in foreign countries;
13. Print-out of Trademark Availability Search conducted on May 25, 2012 of anti-psychotic drugs;
14. Copy of trade sales report, photograph of plaque of appreciation and promotional materials;
15. Affidavit of Robert Lee dated 25 October 2012;
16. Affidavit of Rosemary Turpin dated 25 October 2012; and
17. Affidavit of Ma. Anna Katrina C. Eustaquio dated 31 October 2012⁴

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

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.⁵

The records show that at the time Respondent-Applicant applied for registration of the mark "ZYPDIN" on 11 June 2012 for goods under Class 5, the Opposer already has an existing registrations for the marks "ZYPREXA"⁶ and "ZYPREXA RELPREVV"⁷ both on goods under Class 5, namely: "Pharmaceutical products namely anti-psychotics" issued on 24 September 2005 and 29 April 2010 respectively. The goods indicated in the Respondent-Applicant's trademark application are, therefore, similar and/or closely related, if not exactly identical to those covered by the Opposer's trademark registration.

The question is: Are the competing marks identical or closely resembling each other such that confusion or mistake is likely to occur?

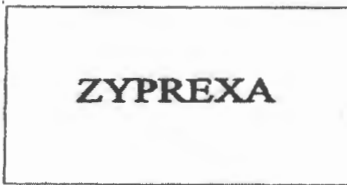
The competing marks are reproduced below:

⁴ Exhibits "A" to "X"

⁵ *Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 November 1999.

⁶ Exhibit "F"

⁷ Exhibit "G"



Opposer's mark



Respondent-Applicant's mark

Scrutinizing the composition of the trademarks involved in this case, it is observed that both marks, ZYPREXA and ZYPDIN are almost identical with respect to the word component except for the last syllable. The first two syllables of the marks are aurally similar/identical: "ZY"- "PRE" and "ZYP". Opposer used the suffix "XA" while the Respondent-Applicant used "DIN", as its suffix. Both marks differing in last syllable are still phonetically similar. When pronounced, the words ZYPREXA and ZYPDIN sound the same and are *idem sonans*.

There are no appreciable disparities between the two marks so as to avoid the likelihood of confusing one for the other especially when used on the same goods under Class 5. ZYPREXA is an invented word, in fact unique, thus, highly distinctive and gives lasting impression upon the consumers. Because ZYPDIN is used or will be used on pharmaceutical products that are similar or closely related to the goods covered by the Opposer's trademark registration, chances are, the consumers are likely to confuse the mark for the other or assume that one is just a variation of the earlier mark.

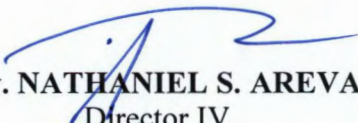
It has been held time and again that in cases of grave doubt between a newcomer who by the confusion has nothing to lose and everything to gain and one who by honest dealing has already achieved favour with the public, any doubt should be resolved against the newcomer in as much as the field from which he can select a desirable trademark to indicate the origin of his product is obviously a large one.⁸

In conclusion, the Respondent-Applicant's trademark application is proscribed by Section 123.1 (d) of the IP Code.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2012-006876 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, 11 January 2016.


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

⁸ Del Monte Corporation et. al. v. Court of Appeals, GR No. 78325, 25 January 1990.