

PEDIATRICA, INC.,
Opposer,

-versus-

PACIFIC PHARMACEUTICAL INC.,
Respondent-Applicant.

X-----X

IPC No. 14-2010-00142
Opposition to:
Appln. Serial No. 4-2009-004535
Date filed: 11 May 2009
TM: "NAFLAX"

NOTICE OF DECISION

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Cnn Generics Distributions, Inc.
2nd Floor, LC Building
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GREETINGS:

Please be informed that Decision No. 2015 - 287 dated December 23, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, December 23, 2015.

For the Director:


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

PEDIATRICA, INC.,

Opposer,

IPC NO. 14 - 2010 - 00142

- versus -

PACIFIC PHARMACEUTICAL INC.,
Respondent-Applicant.

Opposition to:
Trademark Application Serial No.
42009004535
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DECISION NO. 2015 - 287

DECISION

PEDIATRICA, INC. (Opposer)¹ filed an opposition to Trademark Application Serial No. 4-2009-004535. The trademark application filed by PACIFIC PHARMACEUTICAL GENERICS INC. (Respondent-Applicant)², covers the mark NAFLAX for "*pharmaceutical product namely, non steroidal anti inflammatory*" under Class 5 of the International Classification of Goods and Services.³

The Opposer alleges:

"11. Opposer is the registered owner of the trademark 'NAPREX'

11.1. Opposer is engaged in the marketing and sale of a wide range of pharmaceutical products. The trademark application for the trademark 'NAPREX' was filed with Philippine Patent Office on 6 October 1976 by Opposer and was approved for registration on 15 March 1979 to be valid for a period of twenty (20) years, or until 15 March 1999. x x x

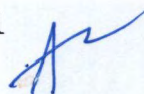
11.2. Before the expiration of the registration, Opposer filed an application for renewal with the IPO, which was accordingly granted to be valid for another period of ten (10) years from 15 March 1999, or until 15 March 2009. x x x

11.3 On 17 November 2008, prior to the expiration of the renewed registration, Opposer filed another application for renewal of the registration of the trademark 'NAPREX' with the IPO, which was accordingly granted to be valid for another period of ten (10) years from 15 March 2009, or until 15 March 2019. x x x

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

² A domestic corporation with office address located at 3rd Flr. LC Building, 459 Quezon Avenue, Quezon City

³ The Nice Classification of Goods and Services is for registering trademarks and service marks based on 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.



11.4 Thus, the registration of the trademark 'NAPREX' subsist and remain valid to date.

12. The trademark 'NAPREX' has been extensively used in commerce in the Philippines.

12.1 Opposer has dutifully filed Affidavit of Use pursuant to the requirement of the law to maintain the registration of the trademark 'NAPREX' in force and effect. x x x

12.3. No less than the Intercontinental Marketing Service ('IMS') itself, the world's leading provider of business intelligence and strategic consulting services for the pharmaceutical and healthcare industries with operations in more than 100 countries acknowledged and listed the brand 'NAPREX' as one of the leading brands in the Philippines in the category of 'NO2B-Non Narcotic Analgesic Market' in terms of market share and sales performance. x x x

12.4. 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'). x x x

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

14. 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 exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate.'

15. The registration of Respondent-Applicant's mark 'NAFLAX' will be contrary to Section 123.1 (d) of the IP Code. 'NAFLAX' is confusingly similar to Opposer's trademark 'NAPREX'

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

15.1.6.1. Respondent-Applicant's mark 'NAFLAX' appears and sounds almost the same as Opposer's trademark 'NAPREX.'

15.1.6.2. The first two letters and the last letter of Respondent-Applicant's mark 'NAFLAX' is exactly the same with Opposer's trademark 'NAPREX'

15.1.6.3. Both marks are composed of two (2) syllables /NA/-/FLAX/ and /NA/-/PREX/.

15.1.6.4. Both marks are composed of 6 letters.

15.1.6.5 Respondent-Applicant merely changed the letters "PRE" of Opposer's trademark 'NAPREX' with letters 'FLA' in arriving at Respondent-Applicant's mark 'NAFLAX'

15.1.7. Clearly, Respondent-Applicant's mark 'NAFLAX' adopted the dominant features of the Opposer's trademark 'NAPREX' x x x

15.2 Opposer's trademark 'NAPREX' and Respondent-Applicant's mark 'NAFLAX' are practically identical marks in sound and appearance that they leave the same commercial impression upon the public.

15.3. Thus, the two marks can easily be confused for one over the other, most especially considering that the opposed mark 'NAFLAX' is applied for the same class as that of Opposer's trademark 'NAPREX' under Class 05 of the International Classification of Goods as Pharmaceutical Preparations.

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

15.5. Opposer's intellectual property right over its trademark is protected under Section 147 of the IP Code x x x

15.6. 'When in the present case, one applies 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.' (Chuanchow Soy & Canning Co., vs. Director of Patents, 108 Phil 833, 836)

16. To allow Respondent-Applicant to continue to market products bearing the mark 'NAFLAX' undermines Opposer's right to its trademark 'NAPREX'. As the lawful owner of the trademark 'NAPREX', 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. x x x

17. The registration and use of Respondent-Applicant's confusingly similar mark 'NAFLAX' 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. x x x

17.5. 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 Opposer, which should not be allowed.

18. In case of grave doubt, the rule is that '[a]s between a newcomer [Respondent-Applicant] who by confusion has nothing to lose and everything to gain and one [Opposer] 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.' (Del Monte Corporation et. al. vs. Court of Appeals, 181 SCRA 410, 420 [1990])x x x

19. Respondent-Applicant's use of the mark 'NAFLAX' 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 the Opposer's trademark 'NAPREX', will take unfair advantage of, dilute and diminish the distinctive character or reputation of the latter trademark. 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 'NAFLAX.' Thus, Opposer's interests are likely to be damaged by the registration and use of the Respondent-Applicant of the mark 'NAFLAX'. The denial of the application subject of this opposition is authorized under the IP Code."

To support its opposition, the Opposer submitted the following as evidence:

Exhibit "A" to "A-1" – Copies of the pertinent pages of the IPO E-Gazette;

Exhibit "B" – Certified True Copy of the Certificate of Registration No. 27231 for the trademark "NAPREX";

Exhibit "C" – Certified True Copy of the Certificate of Renewal of Registration No. 27231;

Exhibit "D" – Certified True Copy of the Second Certificate of Renewal of Registration No. 27231;

Exhibit "E", "F", "G", and "H" – Certified True Copies of the Affidavits of Use filed by the Opposer;

Exhibit "I" – A sample of the product label bearing the trademark "NAPREX" actually use in commerce;

Exhibit "J" – A copy of the Certification and sales performance; and

Exhibit "K" – Certified True Copy of the Certificate of Product Registration issued by BFAD.

This Bureau issued and served a Notice to Answer to the Respondent-Applicant on 10 August 2010. However, the Respondent-Applicant did not file an answer to the Opposition.

The issue to resolve is whether the Respondent - Applicant should be allowed to register the trademark "NAFLAX"

Records show that at the time the Respondent-Applicant filed its trademark application on 11 May 2009, the Opposer has an existing trademark registration for the mark "NAPREX" (Certificate of Registration No. 27231). The registration covers "*acetaminophen preparation*" under Class 5.

The competing marks are reproduced below for comparison:

Naprex

NAFLAX

Opposer's Trademark

Respondent's – Applicant's Trademark

Upon perusal of the two competing trademarks and the evidence submitted by the Opposer, this Bureau finds the Opposition meritorious.

Three (3) of the six (6) letters of the competing wordmarks are the same. Also, the similarities in the first syllable "NA" and the phonetic effects of letter "F" in the Respondent-Applicant's mark as against the letter "P" in the Opposer's mark together with the identical last letter "X" are virtually the same taking consideration the whole of the two wordmarks. Moreover, the differences in the second syllables, "PREX" for Opposer and "FLAX" for Respondent-Applicant, are negligible. These minimal differences are not enough to distinguish the two word marks from each other.

Jurisprudence is consistent that trademarks with *idem sonans* or similarities of sounds are sufficient ground to constitute confusing similarity in trademarks.⁴

This Bureau also finds that the goods subject of the competing trademarks, are similar and/or closely related. The product of the respondent-applicant is non-steroidal anti-inflammatory preparation⁵ while that of the Opposer is for acetaminophen preparation or more particularly a paracetamol composition.⁶ There is the likelihood that the product of the Respondent-Applicant may be confused with the Opposer's. The public may even be deceived that Respondent-Applicant's products originated from the Opposer, or that there is a connection between the parties and/or their respective goods.

The field from which a person may select a trademark is practically unlimited. As in all other cases of colorable imitation, the unanswered riddle is why, of the millions of terms and combination of design available, the Respondent-Applicant had to come up with a mark identical or so closely similar to another's mark if there was no intent to take advantage of the goodwill generated by the other mark.⁷

Time and again, it has been held in our jurisdiction that the law does not require that the competing trademarks must be so identical as to produce actual error or mistake. It would be sufficient, for purposes of the law that the similarity between the two labels is such that there

⁴ Marvex Commercial Co., Inc. vs. Petra Hawpia and Co, G.R. No. L-19297, 22 December 1966

⁵ Respondent-applicant's Trademark Application

⁶ Exhibit "B", "C", "D" and "I"

⁷ American Wire & Cable Company vs. Dir. Of Patent, G.R. No. L-26557, February 18, 1970.


is a possibility or likelihood of the purchaser of the older brand mistaking the newer brand for it.⁸ Corollarily, the law does not require actual confusion, it being sufficient that confusion is likely to occur.⁹ Because the respondent-applicant will use his mark on goods that are similar and/or closely related to the opposer's, the consumer is likely to assume that the respondent-applicant's goods originate from or sponsored by the opposer or believe that there is a connection between them, as in a trademark licensing agreement. The likelihood of confusion would subsist not only on the purchaser's perception of goods but on the origins thereof as held by the Supreme Court.¹⁰

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 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 belief that there is some connection between the plaintiff and defendant which, in fact does not exist.

WHEREFORE, premises considered, the instant opposition to Trademark Application Serial No. 42009004535 is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 42009004535 be returned together with a copy of this Decision to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Taguig City, 23 December 2015


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

⁸ American Wire & Cable Co. vs. Director of Patents, et. al., G.R. No. L-26557, February 18, 1970

⁹ Philips Export B.V. et. al. vs. Court of Appeals, et. al., G.R. No. 96161, February 21, 1992

¹⁰ Converse Rubber Corporation vs. Universal Rubber-Products, Inc. et. al. G.R. No. L27906, January 8, 1987