

SOCIETE DES PRODUITS NESTLE S.A.,
Opposer,

-versus-

**MEGA LIFESCIENCES PUBLIC COMPANY
LIMITED,**
Respondent-Applicant.

IPC No. 14-2015-00125
Opposition to:
Appln. Serial No. 4-2014-012358
Date Filed: 8 October 2014
TM: "FIZZOCAL"

x-----x

NOTICE OF DECISION

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Respondent-Applicant's Representative on Record
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Makati City

GREETINGS:

Please be informed that Decision No. 2016 - 19, dated January 08, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, January 08, 2016.

For the Director:


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

SOCIETE DES PRODUITS NESTLE S.A.,	} IPC NO. 14-2015-00125
Opposer,	} Opposition to:
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	} Date Filed: 8 October 2014
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MEGA LIFESCIENCES PUBLIC COMPANY	} Trademark: "FIZZOCAL"
LIMITED,	}
Respondent-Applicant.	}
x-----x	} Decision No. 2016- 19

DECISION

SOCIETE DES PRODUITS NESTLE S.A., (Opposer)¹ filed an opposition to Trademark Application Serial No. 4-2014-012358. The application, filed by MEGA LIFESCIENCES PUBLIC COMPANY LIMITED (Respondent-Applicant)², covers the mark "FIZZOCAL", for use on "pharmaceutical preparations, drug for medical purposes, dietetic substances adapted for medical use, nutritional supplement, food for babies, dietary supplements for humans, food supplement, health supplement " under Class 5 of the International Classification of Goods³.

The Opposer relies on the following grounds in support of its Opposition:

"The registration of Respondent-Applicant's 'FIZZOCAL' mark is contrary to the provisions of Section 123.1 (d) of the IP Code.

"I. Opposer is the prior user and registered owner of the mark 'ISOCAL' mark under Class 5, specifically 'nutritional complete tube feeding formula'.

"II. Respondent-Applicant's 'FIZZOCAL' mark is confusingly similar to Opposer's registered mark, 'ISOCAL'.

"III. The enumeration of goods in Respondent-Applicant's application is broad enough to include the goods covered by Opposer's registration. Thus,

¹ A corporation organized and existing under the laws of Switzerland with address at CH-1800 Vevey, Switzerland

² A foreign corporation with address at 384, Village No. 4, 6 Alley, Pattana 3 Road, Bangpoo Industrial Estate, Praeksa Subdistrict, Muang Samutprakarn Province, 10280, Thailand

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.

'FIZZOCAL' is proposed to be used for goods that are the same, or at the very least, closely related to the goods covered 'ISOCAL'.

The Opposer also alleges:

"9. The history of the trademark 'ISOCAL' dates back to 1989 when it was launched in Japan by Mead Johnson. The trademark was among those acquired by Novartis when the latter bought Mead Johnson's adult medical nutrition business in 2003. In 2007, Opposer acquired Novartis Medical Nutrition along with the ISOCAL Brand and other Novartis trademarks. xxx

"10. Opposer, its predecessors, and/or its licensees have used, sold and advertised ISOCAL-branded products continuously and extensively in the Philippines and throughout the world. In the Philippines, ISOCAL-branded products are sold nationwide in drugstores and hospitals, including Mercury Drugstores, Watson's South Star Drugstore, and Rose Pharmacy.

"11. Opposer, whether on its own, through its predecessors or through licensees, have spent considerable amount of money in promoting the ISOCAL brand in the Philippines and all over the world. The worldwide marketing expenditures on advertising products bearing the 'ISOCAL' mark amounted to JPY300mio (~USD2.5mio), for 2014.

"12. Opposer has also published its products and advertisements regarding its ISOCAL-branded products in the internet, and are available, among others, in the following websites:

<http://www.nestle.com.ph/brands/healthcarenutrition/isocal>
<http://www.nestle.lk/en/brands/nestle-health-science/products/isocal>
http://www.nestle.com.sg/brands/healthcare_nutrition/isocal_powder
http://www.nestle.com.sg/brands/healthcare_nutrition/isocal_liquid
http://www.nestle.com.my/brands/Health_Science/isocal_dm
<http://www.nestle.com.vn/brands/healthcarenutrition/isocal>
<http://promo.nestle.com.hk/trade/club/healthcare/front/html/menu13.html>
<http://www.nestlehealthscience.jp/products>

"13. As a result of its aggressive marketing efforts, ISOCAL-branded products have consistently registered positive sales volume. Worldwide sales for ISOCAL-branded products amounted to around CHF84,967, CHF69,887 and CHF67,518 for 2012, 2013 and 2014, respectively. In the Philippines, amounted to around PHP11,879,642, PHP12,469,599, PHP14,100,824, PHP10,148,207 and PHP14,194,069 for 2010, 2011, 2012, 2013 and 2014, respectively.

"14. Opposer has also been aggressive in registering and protecting the 'ISOCAL' trademark. Presently, Opposer has registered or applied for registration of the mark 'ISOCAL' in about 100 territories. xxx

"16. In the Philippines, Opposer is likewise the registered owner of the 'ISOCAL' trademark under Certificate of Registration No. 4-1991-00055121 filed as early as 20 August 1991, registered as early as 28 May 1993 and renewed on 28 May 2013. xxx

"19. In this case, Respondent-Applicant's 'FIZZOCAL' mark cannot be registered because it nearly resembles Opposer's registered mark as to be likely to deceive or cause confusion. Confusion is even more likely considering the goods identified by Respondent-Applicant's proposed mark are the same, or at the very least, closely related to the goods covered by Opposer's registered mark 'ISOCAL'.

"20. The registration of Respondent-Applicant's 'FIZZOCAL' mark is contrary to the provisions of Section 123.1 (d), which proscribes the registration of a prospective mark if it is confusingly similar to a registered mark in respect of the same or closely related goods or services. xxx

"22. In the instant case, the marks involved are plain word marks, the dominant feature of which is the letters comprising the marks. There is stark similarity in the letters featured in the competing marks which renders Respondent-Applicant's mark confusingly similar to Opposer's registered mark. xxx

"32. Applying the wisdom and ratiocinations of the Supreme Court in the foregoing jurisprudence, it is patent that 'FIZZOCAL' is confusingly similar to 'ISOCAL' due to their stark similarity in letters, spelling and pronunciation. Effectively, the marks leave the same visual, aural and commercial impression in the minds of the public. Both marks have three syllables. Both marks end in 'OCAL'. Their only difference is the fact that Opposer's mark starts with 'IS' while Respondent-Applicant's mark starts with 'FIZZ'. But this is clearly insufficient to distinguish one from the other, especially if one notes that they have the same vowel sound 'I'. Note also that the letter 'S' has a very similar sound as the letter 'Z' such that 'FIZZOCAL' is prone to be mispronounced as 'FISOCAL', in the same way that 'ISOCAL' is prone to be pronounced as 'IZOCAL'. Ultimately, the only difference is the starting letter 'F' in Respondent-Applicant's mark, which is not even a strong consonant to begin with. xxx

"37. It is patent that the enumeration of goods in Respondent-Applicant's trademark application is broad enough to include the goods covered by Opposer's registration. Thus, Respondent-Applicant's 'FIZZOCAL' mark is proposed to be used for goods that are the same as that covered by Opposer's registration for

'ISOCAL' and therefore, proscribed under Section 123.1 (d) (i). Otherwise, it is, at the very least proposed to be used for goods that are closely related to that covered by Opposer's registration for 'ISOCAL' and therefore, proscribed under Section 123.1 (d) (ii).xxx

"40. Since Respondent-Applicant's goods are the same or at the very least closely related to Opposer's goods, consumers may mistake one Respondent-Applicant's goods for Opposer's goods, or would reasonably assume that they originate from one manufacturer. In such case, both confusion of source and confusion of business can arise out of the use of similar marks on the same goods and on closely related goods.xxx"

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

1. Legalized and authenticated Special Power of Attorney dated 12 July 2013;
2. Print-out of E-Gazette Publication showing status of Respondent-Applicant's application;
3. Affidavit of Dennis Jose R. Barot;
4. Original print-outs of online news articles relating to acquisition by Opposer of Novartis medical nutrition food market;
5. Print-out of list of registration of the trademark "ISOCAL"; and
6. Copy of Certificate of Registration No. 4-1991-00055121 dated 28 May 1993 for the mark "ISOCAL"⁴

This Bureau served upon the Respondent-Applicant a "Notice to Answer" on 26 May 2015. However, the Respondent-Applicant, did not file an Answer. Thus, the Bureau on 20 October 2015 issued Order No. 205-39 declaring the Respondent-Applicant in default.

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

Sec. 123.1. Registrability. 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.

⁴ Exhibits "A" to "G"

Records show that at the time Respondent-Applicant applied for registration of the mark "FIZZOCAL" the Opposer already registered the mark "ISOCAL" (under Certificate of Registration No. 4-2005-008937) issued on 28 May 1993. The goods indicated in the Respondent-Applicant are similar and/or closely related to the goods covered by the Opposer's trademark registration.

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

ISOCAL

Opposer's mark

FIZZOCAL

Respondent-Applicant's mark

Both marks, are similar with respect to the last four (4) letters ("OCAL"). The prefixes first two (2) syllables "ISO" and "FIZZO" sound similar when pronounced in spite of the use of different consonants, "s" and "z". The addition of the letter "F" to the Respondent-Applicant's "FIZZO" is negligible because when pronounced, the words ISOCAL and FIZZOCAL sound the same and are *idem sonans*. Visually and aurally, the marks are confusingly similar.

Succinctly, because the Respondent-Applicant uses its mark on goods that are similar or closely related to the Opposer's it is likely that the consumers will have the impression that these goods originate from a single source or origin. The confusion or mistake would subsist not only the purchaser's perception of goods but on the origin thereof as held by the Supreme Court, to wit:

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinary 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.⁵

The public interest, requires that two marks, identical to or closely resembling each other and used on the same and closely related goods, but utilized by different proprietors should not be allowed to co-exist. Confusion, mistake, deception, and even fraud, should be prevented. It is emphasized that the function of a trademark is to point

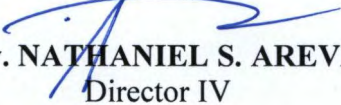
⁵*Converse Rubber Corp. v. Universal Rubber Products, Inc., et. al.*, G. R. No. L-27906, 08 January 1987.

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.⁶

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2014-012358 is hereby **SUSTAINED**. Let the filewrapper of the subject trademark be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 8 January 2016.


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

⁶*Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 November 1999, citing *Etepha v. Director of Patents*, *supra*, *Gabriel v. Perez*, 55 SCRA 406 (1974). See also Article 15, par. (1), Art. 16, par. (1), of the Trade Related Aspects of Intellectual Property (TRIPS Agreement).