

UNAHCO, INC.,
Opposer,

-versus-

INNOVACYN, INC.,
Respondent-Applicant.

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}
} **IPC No. 14-2014-00273**
} Opposition to:
} Appln. Serial No. M/0000/01174466
} Date filed: 06 September 2013
} **TM: "VETERICYN"**
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}
}
}

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2015 - 284 dated December 21, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, December 21, 2015.

For the Director:


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

UNAHCO, INC.,

Opposer,

-versus-

INNOVACYN, INC.

Respondent-Applicant.

x-----x

IPC No. 14-2014-00273

Opposition to:

Applic. No. M/0000/01174466

Date Filed: 06 September 2013

Trademark: "VETERICYN"

Decision No. 2015- 284

DECISION

UNAHCO, INC.¹ ("Opposer") filed an opposition to Trademark Application Serial No. M/0000/01174466. The application, filed by INNOVACYN, INC.² ("Respondent-Applicant"), covers the mark "VETERICYN" for use on "all purpose disinfectants, antiseptics and sterilants used in veterinary and animal related fields)" under Class 05 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x
"GROUNDS FOR OPPOSITION"

"The grounds for this Verified Notice of Opposition are as follows:

"7. The mark 'VETERICYN' applied for by Respondent-Applicant so resembles the trademark 'VETRACIN' owned by Opposer and duly registered with this Honorable Bureau prior to the publication of the application for the mark 'VETERICYN'.

"8. The mark 'VETERICYN' will likely cause confusion, mistake and deception on the part of the purchasing public, most especially considering that the opposed mark 'VETERICYN' is applied for the same class and goods as that of Opposer's trademark 'VETRACIN', i.e., Class 05 of the International Classification of Goods.

"9. The registration of the mark 'VETERICYN' in the name of the Respondent-Applicant will violate Sec. 123.1 (d) of the IP Code, which provides, in part, that a mark cannot be registered if it:

xxx

"10. Under the above-quoted provision, any mark, which is similar to a registered mark, shall be denied registration in respect of similar or related goods or if

¹A domestic corporation organized and existing under the laws of the Philippines with office address at No. 17, Sheridan Street, Mandaluyong City, Philippines.

²A foreign corporation organized and existing under the laws of the United States of America with principal office address at 3546 N. Riverside Ave Rialto, CA 92377, United States of America.

³The Nice Classification is a classification of goods and services for the purpose of registering trademark and service marks, based on a 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 Purposes of the Registration of Marks concluded in 1957.

the mark applied for nearly resembles a registered mark that confusion or deception in the mind of the purchasers will likely result.

"11. Respondent-Applicant's use and registration of the mark 'VETERICYN' will diminish the distinctiveness of Opposer's trademark 'VETRACIN'.

"ALLEGATIONS IN SUPPORT OF THE OPPOSITION

"In support of this Verified Notice of Opposition, Opposer will rely upon and prove the following facts:

"12. Opposer is the registered owner of the trademark 'VETRACIN'. It is engaged in the marketing and sale of a wide range of veterinary feeds and preparations, agricultural and related products.

"12.1. The trademark application for the trademark 'VETRACIN' was filed with the Philippine Patent Office on 18 December 1967 by Opposer and was approved for registration on 2 September 1969 to be valid for a period of twenty (20) years, or until 2 September 1989.

"12.2. Prior to the lapse of the twenty (20) year term, on 2 September 1989, Opposer filed a petition for renewal of registration thereof, which was accordingly granted to be valid for another period of twenty (20) years, or until 2 September 2009. A certified true copy of Principal Register No. 15601 with annotation 'RENEWED FOR ANOTHER TWENTY YEARS' for the trademark 'VETRACIN' is attached hereto as Exhibit 'B' and made an integral part hereof.

"12.3. Prior to the lapse of the twenty (20) year term, on 2 September 2009, Opposer filed a petition for renewal of registration thereof, which was accordingly granted to be valid for another period of ten (10) years, or until 2 September 2019. A certified true copy of Certificate of RENEWAL of Registration No. 015601 for the trademark 'VETRACIN' is attached hereto as Exhibit 'C' and made an integral party hereof.

"12.4. Thus, the registration of the trademark 'VETRACIN' subsists and remains valid to date.

"13. The trademark 'VETRACIN' owned by Opposer has been extensively used in commerce in the Philippines.

"13.1. Opposer has dutifully filed Affidavits of Use to maintain the registration of 'VETRACIN' in force and effect pursuant to the requirement of the law. Certified true copies of the Affidavits of Use are hereto attached x x x.

"13.2. In order to legally market, distribute and sell this veterinary preparation in the Philippines, the product has been registered with the Bureau of Animal Industry. As evidence of such registration a certified true copy of the Certificate of Product Registration No. VRM-09-1411 is hereto attached x x x

"13.3. A sample product label bearing the trademark 'VETRACIN' actually used in commerce is hereto attached x x x.

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

"15. 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 ownership of the mark, and of 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.

"16. The registration of Respondent-Applicant's mark 'VETERICYN' will be contrary to Section 123.1 (d) of the IP Code. 'VETERICYN' is confusingly similar to Opposer's trademark 'VETRACIN'.

"16.1. There are no set rules that can be deduced in particularly ascertaining whether one trademark is confusingly similar to, or is a colorable imitation of, another. Nonetheless, jurisprudence provides enough guidelines and tests to determine the same.

"16.1.1. In *Societe' Des Produits Nestle', S.A. vs. Court of Appeals* (356 SCRA 207, 216 [2001]), the Supreme Court, citing *Ethepa v. Director of Patents* (16 SCRA 495, 497-498 [1966]), held '[i]n determining if colorable imitation exists, jurisprudence has developed two kinds of tests - the Dominancy Test and the Holistic Test. The test of dominancy focuses on the similarity of the prevalent features of the competing trademarks which might cause confusion or deception and thus infringement. On the other side of the spectrum, the holistic test mandates that the entirety of the marks in question must be considered in determining confusing similarity.'

"16.1.2. It is worthy to note at this point that in *Societe' Des Produits Nestle', S.A. vs. Court of Appeals* [supra, p. 221] the Supreme Court held "[T]he totality or holistic test only relies on visual comparison between two trademarks whereas the dominancy test relies not only on the visual but also on the aural and connotative comparisons and overall impressions between the two trademarks."

"16.1.3. Relative thereto, the Supreme Court in *McDonalds' Corporation vs. L.C. Big Mak Burger, Inc.* (437 SCRA 10, 32-33 [2004])) held:

x x x

"16.1.4. This was affirmed in *McDonald's Corporation vs. Macjoy Fastfood Corporation* (514 SCRA 95, 107-108 [2007]), which held that '[t]he Court has consistently used and applied the dominancy test in determining confusing similarity or likelihood of confusion between competing trademarks.'

"16.1.5. In fact, the dominancy test is 'now explicitly incorporated into law in Section 155.1 of the Intellectual Property Code, which defines infringement as the colorable imitation of a registered mark xxx or a dominant feature thereof.' x x x

"16.1.6. Thus, applying the dominance test in the instant case, it can be readily concluded that the mark 'VETERICYN', owned by Respondent-Applicant, so resembles Opposer's trademark 'VETRACIN', that it will likely cause confusion, mistake and deception on the part of the purchasing public.

"16.1.6.1. Respondent-Applicant's mark 'VETERICYN' appears and sounds almost the same as Opposer's trademark 'VETRACIN'.

"16.1.6.2. The first three (3), fifth, seventh and ninth letters of Respondent-Applicant's mark 'V-E-T-E-R-I-C-I-N' is the same as the first four (4), sixth and eight letters of Opposer's trademark 'V-E-T-R-A-C-I-N'.

"16.1.6.3. Both marks are pronounced with the same intonation.

"16.1.7. Clearly, Respondent-Applicant's mark 'VETERICYN' adopted the dominant features of the Opposer's trademark 'VETRACIN'.

"16.1.8. As further ruled by the High Court in the McDonald's Corporation case (supra, p. 33-34 [2004]):

x x x

"16.1.9. In American Wire & Cable Co., vs. Director of Patents (31 SCRA 544, 547-548 [1970]), the Supreme Court explained:

x x x

"16.2. Opposer's trademark 'VETRACIN' and Respondent-Applicant's mark 'VETERICYN' are practically identical marks in sound and appearance that they leave the same commercial impression upon the public.

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

"16.4. Nevertheless, Respondent-Applicant still filed a trademark application for 'VETERICYN' despite its knowledge of the existing trademark application of 'VETRACIN', which is confusingly similar thereto in both its sound and appearance, to the extreme damage and prejudice of Opposer.

"16.5. When, as 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.' x x x

"16.6. Opposer's intellectual property right over its trademark is protected under Section 147.1 of the IP Code, which states:
x x x

"16.7. Clearly, applying the foregoing, the denial of the trademark application is in due course, more so, as the goods covered by the said trademark application are in the same class as that covered by Opposer's trademark 'VETRACIN'.

"17. To allow Respondent-Applicant to market its products bearing the mark 'VETERICYN' undermines Opposer's right to its trademark 'VETRACIN'.

"17.1. Being the lawful owner of 'VETRACIN', Opposer has the exclusive right to use and/or appropriate the said trademark and prevent all third parties not having its consent from using in the course of trade identical or similar marks, where such would result in a likelihood of confusion.

"17.2. By reason of Opposer's ownership of the trademark 'VETRACIN', it also has the right to prevent third parties, such as Respondent-Applicant, from claiming ownership over Opposer's trademark or any depiction similar thereto, without its authority or consent.

"17.3. Moreover, following the illustrative list of confusingly similar sounds in trademarks cited in the McDonald's Corporation case (supra, p. 34 [2004]), it is evident that the Respondent-Applicant's mark 'VETERICYN' is aurally confusingly similar to Opposer's trademark 'VETRACIN':
x x x

"17.4. Further, the fact that Respondent-Applicant seeks to have its mark 'VETERICYN' registered in the same class (Nice Classification 05) as Opposer's trademark 'VETRACIN' will undoubtedly add to the likelihood of confusion among the purchasers of these two goods.

"18. The registration and use of Respondent-Applicant's confusingly similar mark 'VETERICYN' on its goods will enable the latter to obtain benefit from Opposer's reputation and goodwill, and will tend to deceive and/or confuse the public into believing that Respondent-Applicant is in any way connected with the Opposer.

"18.1. As held in Sterling Products International, Inc. vs. Farbenfabriken Bayer Aktiengesellschaft, et. al. (27 SCRA 1214, 1227 [1968]) there are two types of confusion in trademark infringement. '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 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.'

"18.2. The doctrine of confusion of business or origin is based on cogent reasons of equity and fair dealing. It has to be realized that there can be unfair dealing by having one's business reputation confused with another. 'The owner of a trademark or trade name has a property right in which he is entitled to protection, since there is damage to him from confusion of reputation or goodwill in the mind of the public as well as from confusion of goods.' (*Ang vs. Teodoro*, 74 Phil 50, 55-56 [1942]).

"18.3. Applying the foregoing to the instant case, to allow Respondent-Applicant to use its mark 'VETERICYN' on its product would likely cause confusion or mistake in the mind of the public or deceive purchasers into believing that the product of Respondent-Applicant with a mark 'VETERICYN' originated from or is being manufactured by Opposer, or at the very least, is connected or associated with the 'VETRACIN' product of Opposer, when such connection does not exist.

"18.4. In *Canon Kabushiki Kaisha vs. Court of Appeals* (336 SCRA 266, 275 [2000]), the Supreme Court explained that:

x x x

"18.5. Clearly, the scope of protection accorded to trademark owners includes not only confusion of goods but also confusion of origin. As in this case, there is undoubtedly also a confusion of the origin of the goods covered by the mark of Respondent-Applicant and trademark of Opposer, which should not be allowed.

"19. Respondent-Applicant's use of the mark 'VETERICYN' 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 Opposer's trademark 'VETRACIN', will undermine 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 'VETERICYN'.

"20. In case of grave doubt, the rule is that, '[a]s between a newcomer] who by confusion has nothing to lose and everything to gain and one 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])

"20.1. In *American Wire & Cable Co., vs. Director of Patents* (supra, p. 551), it was observed that:

x x x

"20.2. When, a newcomer used, without a reasonable explanation, a confusingly similar, if not at all identical, trademark as that of another 'though the field of its selection was so broad, the inevitable conclusion is that it was done deliberately to deceive.' (*Del Monte Corporation, et. al. vs. Court of Appeals*, supra, p. 419-420 [1990]).

"21. Thus, Opposer's interests are likely to be damaged by the registration and use of the Respondent-Applicant of the mark 'VETERICYN'. The denial of the application subject of this opposition is authorized under the IP Code.

"20. In support of the foregoing, the instant Notice of Opposition is herein verified by Mr. Ricardo C. Alba, which will likewise serve as his affidavit (Nasser v. Court of Appeals, 191 SCRA 783 [1990]).

The Opposer's evidence consists of a copy of the pertinent page of the IPO E-Gazette released on 26 May 2014; a copy of the Principal Register No. 15601 with annotation "RENEWED FOR ANOTHER TWENTY YEARS" for the trademark "VETRACIN"; a copy of Certificate of RENEWAL of Registration No. 015601 for the trademark "VETRACIN"; copies of the Affidavits of Use to maintain the registration of "VETRACIN"; copy of the Certificate of Product Registration No. VRM-09-1411; and a sample product label bearing the trademark "VETRACIN" actually used in commerce.⁴

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant, Pfizer, Inc., on 08 July 2014. The Respondent-Applicant filed their Answer on 25 September 2014 and avers the following:

x x x

"SPECIAL AND AFFIRMATIVE DEFENSES

"44. Respondent-applicant's mark VETERICYN is not confusingly similar with opposer's mark VETRACIN.

"45. Respondent-applicant's mark is composed of four (4) syllables VE-TE-RI-CYN while Opposer's mark is composed of only three (3) syllables VET-RA-CIN. In VETERICYN the pronunciation of the word VETERI in client's mark whether correct or incorrect, includes a combination of 6 letters V-E-T-E-R-I; whereas, in VETRACIN the whole word starts with the pronunciation of the word VETRA added to the suffix 'CIN'. Appeals to the ear of the words VETERI and VETRA are dissimilar. And this, because in a word-combination, the part that comes first is the most pronounced. Moreover, the prefix VET and the suffix CIN are common names given to veterinary products. x x x

"46. The labels of the respondent's mark VETERICYN and with that of the Opposer's mark VETRACIN as shown below,

x x x

are different. The label of Respondent-applicant's mark VETERICYN not only shows the mark VETERICYN, but also below said mark is a statement which says, 'Wound and Skin Care,' 'Eye Wash,' 'Ear Rinse' depending on the animal's necessity while in Opposer's mark, the word PREMIUM below the mark VETRACIN in indicated. Therefore, confusion in unlikely to happen.

⁴Marked as Exhibits "A" and "K".

"47. In determining whether two trademarks are confusingly similar, the test is not simply to take their words and compare the spelling and pronunciation of said words. Rather, the two marks should be considered in their entirety, as they appear in the respective labels, in relation to the goods to which they are attached. x x x

"48. The discerning eye of the observer must focus not only on the predominant words but also on the other features appearing in both labels in order that he may draw his conclusion whether one is confusingly similar to the other. . .
x x x

"49. There is no confusion as defined by the 'dominancy test'. According to the 'dominancy test', confusion will arise only if the dominant features of two competing marks are identical or similar. Hence, if only the first three (3) letters and the last three (3) letters of the respondent-applicant's mark, is similar to the opposer's mark, confusion will not likely arise.

"50. From a visual point of view, the two marks are so distinct from each other that the opposer cannot assert that the dominant features, if any, of its trademark VETRACIN were used or appropriated in the respondent-applicant's mark VETERICYN.

"51. Moreover, the Philippine Supreme Court has adopted the view in a long line of cases that opposing trademarks should be compared in their entirety to determine confusing similarity x x x

"52. Under Philippine trademark practice and jurisprudence, it is an established principle that the presence of a common letter or syllable in word marks or a common word in trademarks consisting of compounded words, by itself, does not invalidate one another on the ground of 'confusing similarity'. Moreover, it is established in Philippine law and jurisprudence that the practical approach to the problem of similarity or dissimilarity is to go into the whole of the two trademarks pictured in their manner of display. Inspection should be undertaken from the point of view of the prospective buyer. The trademark complained of should be compared and contrasted with the purchaser's memory (not in juxtaposition) of the trademark said to be infringed. Some such factors as sound, appearance; form, style, shape, size, or format; color; ideas connoted by marks; the meaning, spelling and pronunciation of words used; and the setting in which the words appear, may be considered. Confusion is likely between trademarks only if their overall presentation in any of the particulars of sound, appearance or meaning are such as would lead the purchasing public into believing that the products or services to which the marks are applied or used emanated from the same source. Under these standards, respondent-applicant's mark VETERICYN is not 'confusingly similar' with opposer's mark VETRACIN and will not cause confusion among the consuming public. The prospective registration of respondent-applicant's mark VETERICYN will therefore not violate the provisions of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines.

"53. From the foregoing, it is clear that the opposer failed to establish any cause to contest the registration of respondent-applicant's mark. While the



opposer harps on the alleged identity or similarity in the dominant features of the marks VETRACIN and VETERICYN, such was not demonstrated except for the similar letters appearing in the opposer's mark and the first and last syllables of the respondent-applicant's mark which do not at all cause any confusion or deception.

"54. Opposer has the temerity to claim that respondent-applicant is capitalizing on its goodwill. Respondent-applicant is itself a highly reputable international company, and its mark is internationally well-known, which therefore indicates that it does not need opposer's alleged goodwill in order to be successful. It is already successful.

"55. Not only is Respondent-applicant successful, its mark VETERICYN even qualifies as a well-known mark. In determining whether a mark is well-known within the ambit of Section 123.1 (e) and (f), the factors to be taken into consideration are enunciated in Rule 102 of the Rules and Regulations on Trademarks, Service Marks, Trade Names and Marked or Stamped Containers to wit:

x x x

"56. The guidelines prescribed by the above-mentioned Rules are met in the instant case, thus leaving no doubt that the VETERICYN mark is well-known. In particular, the following are criteria that obtain in the instant case:

x x x

"57. Considering the criteria in Rule 102 of the Rules and Regulations on Trademarks, Service Marks, Trade Names and Marked or Stamped Containers, Respondent-applicant's trademark 'VETERICYN' should be considered to have attained a well-known status internationally and in the Philippines.

- "a. The quality-image or reputation acquired by the mark;
- "b. The extent to which the mark has been registered in the world;
- "c. The extent to which the mark has been used in the world;
- "d. The commercial value attributed to the mark in the world.

"58. Respondent-applicant is the owner/registrant of the mark VETERICYN around the world which covers goods under International Class 5. The aforementioned marks are registered in countries such as Argentina, Australia, Brazil, Belize, Canada, Chile, China, Costa Rica, Jordan, Japan, Kuwait, Mexico, Malaysia, Norway, New Zealand, Qatar, Saudi Arabia, Spain, Switzerland, Singapore, South Africa, United Arab Emirates, Thailand, Turkey, Taiwan, United States of America, United Kingdom, and International Registration under Madrid Protocol. A list of VETERICYN registrations worldwide is enclosed herewith as Exhibit 'A', and made an integral part hereof.

"59. Respondent-applicant actively and vigorously promotes and advertises its mark all over the world. In these advertisements, the mark VETERICYN is prominently displayed or shown, either in print or video depending on the medium used. Such worldwide exposure has made VETERICYN an easily-recognized mark and likewise, the mark is readily associated and identified with respondent-applicant Innovacyn, Inc. A CD-ROM containing selected advertisements and promotional paraphernalia made by Innovacyn, Inc. in

various countries around the world is hereto attached as Exhibit 'B' and made an integral party hereof. A summary of Innovacyn's sales revenues of the VETERICYN products for the last twelve (12) months by country is also hereto attached as Exhibit 'C'.

"60. Respondent-applicant likewise maintains comprehensive website portals on the Internet where the online community in general can access details of its goods and services with just a mouse-click. The main portal is <http://vetericyn.com>. Printouts from said website are hereto attached as Exhibit 'D' and made an integral part hereof.

"61. Respondent-applicant also promotes and advertises its mark through non-traditional forms of advertising. VETERICYN products may be accessed through Facebook, Twitter, You Tube, Pinterest, LinkedIn and Instagram. Printouts from the Innovacyn, Inc.'s website listing these various applications are hereto attached as Exhibit 'E' and made an integral part hereof.

"62. Respondent-applicant also successfully enforced its rights over the mark VETERICYN in the following cases:

x x x

"63. Thus, with Respondent-applicant Innovacyn, Inc.'s prior registration and ownership, wide use, extensive promotion and enforcement of the trademark VETERICYN around the world, said trademark has therefore become distinctive of the goods, services and business of Respondent-applicant Innovacyn, Inc.

"64. In the very recent case of Sehvani, Inc. and Benita's Frites, Inc. vs. In-N-Out Burder, Inc. (G.R. No. 171053, October 15, 2007), the Supreme Court reaffirmed the principle by declaring that the disputed mark therein as an internationally well-known mark on the basis of 'registrations in various countries around the world and its comprehensive advertisements therein', to wit:

x x x

"65. In the aforcited case, the disputed mark IN-N-OUT BURGER was not a registered mark in the Philippines. Nonetheless, the Supreme Court upheld its right to trademark protection. Respondent-applicant's mark VETERICYN being world-renowned unquestionably must also be protected from Opposer's mark VETRACIN. No less than the Intellectual Property Code sets out the preferential protection when its states that registration of well-known marks in the Philippines can preclude registration of marks even with respect to goods or services that are similar or even not similar to its registered use, to wit:

x x x

"66. The citation of Opposer of the following cases in its Verified Notice of Opposition: McDonald's Corporation vs. L.C. Big Mak Burger, Inc.; Canon Kabushiki Kaisha vs. Court of Appeals; Sterling Products International, Inc. vs. Farbenfabriken Bayer Aktiengesellschaft, et. al.; and Ang vs. Teodoro is with due respect, misplaced as the products involved in that cases are goods generally sold in the open. In the present case, the products involved are veterinary products that are sold where veterinary physician's prescription are required. A different set of rules on infringement has been laid down by the Supreme Court particularly in the cases of Ethepa vs. Director of Patents, 16 SCRA 495, 501-502, (1966);

American Cyanamid Co., vs. Director of Patents, 76 SCRA 568 (1977), the pertinent portions of which reads as follows:

x x x

"67. Contrary to the opposer's assertions, the goods covered by the contending marks are not the same. The goods are unrelated and non-competing. As shown in Exhibit 'K' attached to the Opposer's Verified Notice of Opposition, Opposer's mark VETRACIN is a soluble powder as antibacterial-vitamins for poultry animals while the goods of respondent-applicant's mark VETERICYN are liquid solution for wound and skin care, eye care and ear care for all types of animals. In addition, as stated in the Certificate of Renewal of Registration marked as Exhibit 'C' of the Opposer, the goods covered by the mark VETRACIN are soluble broad spectrum antibiotic for more effective control and prevention of livestock poultry diseases and the Certificate of Product Registration marked as Exhibit 'J' submitted by the Opposer, states that the goods covered by the mark VETRACIN with a generic name of Chlortetracycline Hydrochloride are specifically formulated for the prevention and treatment of bacterial diseases of poultry and livestock caused by organisms susceptible to Chlortetracycline with Vitamin A & B12 to support the animal during periods of stress, illness and convalescence while the goods covered by respondent-applicant's mark VETERICYN are composed of the active ingredient Hypochlorous Acid (HOCl) which are intended for the management of Hot Spots, Skin Rashes, Skin Ulcers, Cleaning and Debriding Wounds, Post-Surgical Sites, Burns, Skin Irritations, Scratches, Eye Irritations, Cuts, Lacerations, Cleaning and Umbilical & Navel and Sores for all kinds of animals (www.veterycin.com). Hence, it is apparent that the scope of opposer's mark VETRACIN deals with poultry and livestock only. In contrast, respondent-applicant's mark VETERICYN covers all animal species. Clearly from the foregoing, each set of goods has a different purpose and use, it will therefore be unlikely that their distribution channels will overlap.

"68. Moreover, as shown in Exhibit 'K' of the Opposer, the label of the product VETRACIN clearly indicates that Opposer's goods are for Veterinary Use Only. It is clear therefore that an ordinary purchaser may only purchase such product with the assistance and/or prescription of a veterinary physician. Hence, there can never be confusion between the marks VETRACIN and VETERICYN.

"69. Respondent-applicant seeks to register its mark VETERICYN for goods in Class 5, particularly, 'All purpose disinfectants, antiseptics and sterilants used in veterinary and animal related fields.'

"70. The prevailing view and practice in the Philippines is that there is no confusion on the part of the public 'if the trademarks are used entirely on unrelated and non-competing goods' x x x

"71. In the case of Mighty Corp., et. al. vs. E & K Gallo Winery, et. al. (G.R. No. 154342. July 14, 2004), the Supreme Court stated that:

x x x

"72. The fact that the goods covered by the contending marks fall under Class 5 is not sufficient to support a conclusion that the marks cover identical, similar, or related goods. As clearly pointed by the Supreme Court in the case of

Philippine Refining Co., Inc. vs. Ng Sam and Director of Patents (G.R. No. L-26676. July 30, 1982):

x x x

"73. The Court, in the afore-cited case of Mighty Corp., et. al. vs. E & J Gallo Winery enumerated the factors which should be considered in determining whether or not the goods are related:

x x x

"74. If we evaluate the products covered by the contending marks using the factors that have been enumerated, it becomes clear that the marks VETRACIN and VETERICYN do not cover identical, similar, or related goods.

"75. It is further stated in the Gallo winery case that:

x x x

"76. Considering the foregoing facts, it can be said that the ordinary purchasers of VETRACIN products which requires the assistance of a veterinary physician would not have any occasion to encounter VETERICYN products, which are used for different purposes. Hence, confusion is not likely.

"77. Innovacyn, Inc. is a company headquartered in United States of America, formed to provide premier healthcare products.

"79. Innovacyn, Inc. currently markets advanced healthcare to both the human and animal markets. Innovacyn promotes only those products it believes will truly revolutionize healthcare- products that create value for its trade partners and enrich lives for consumers.

"80. Innovacyn, Inc. embraces scientific research to deliver innovative products and world-class operations to its stakeholders. Research and development is the backbone of and at the forefront of the company.

"81. The respondent-applicant Innovacyn, Inc. is the industry front-runner who is shaping the future of healthcare today with its innovative, out-of-the-box approach. It is a brand that continually pursues innovation in diagnostic technologies to build a solid healthcare foundation that people can count on. Innovacyn, Inc. has become a global leader in the field of healthcare to both the human and animal markets with high levels of quality and usability, as well as advanced after-sales support, throughout the world.

"82. Innovacyn, Inc.'s partners include Cesar Millam, host of 'The Dog Whisperer,' and Clinton Anderson of Downunder Horsemanship. Veterycin products are available in pet stores worldwide and through the company's network of distributor.

"83. The mark VETERICYN is well-known in the relevant sector of the public. It is known as an innovation leader in the veterinary products and participates in several events as follows:

x x x

"84. Regard should be given to respondent-applicant's credibility and reputation, as held in the case of American Cyanamid Company vs. The Director of Patents and Tiu Chian, G.R. No. L-23954, April 29, 1977, to wit:

x x x

"85. Clearly, respondent-applicant does not need to trade on any company's name or product. It has long established its name and its products in the development, manufacture and sale of laboratory testing reagents and laboratory equipment.

"86. Article 165 of the Intellectual Property Code of the Philippines states that:

"87. While Article 6bis of the Paris Convention is as follows:

x x x

"88. It is clear from the foregoing that in order to be barred by the opposer's use of VETRACIN as a trade name, the respondent's use of the mark VETERICYN should 'constitute a reproduction, an imitation, or a translation, liable to create confusion.' However, as amply shown above, the mark VETERICYN does not constitute a reproduction, an imitation, or a translation of opposer's mark VETRACIN; neither is it likely to create any confusion.

"89. All told, after applying all the tests provided by the relevant laws, as well as those recognized by jurisprudence, it is apparent that respondent-applicant's mark VETERICYN and opposer's mark VETRACIN, are neither confusingly similar, nor do they cover identical or similar goods; hence, the mark VETERICYN is registrable.

The Respondent-Applicant's evidence consists of a list of VETERICYN registrations worldwide; a CD-ROM containing selected advertisements and promotional paraphernalia made by Innovacyn, Inc. in various countries around the world; a summary of Innovacyn's sales revenues of the VETERICYN products for the last twelve (12) months by country; copy of printouts of Innovacyn's website; copy of printouts from Innovacyn, Inc.'s website listing various applications as non-traditional forms of advertising; copy of the Corporate Secretary's Certificate dated 11 September 2014; and the Affidavit-Testimony of witness Victor Torcat Mallen dated 11 September 2014.⁵

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

The Opposer anchors its opposition on the following provisions of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"):

Sec. 123.Registrability. - 123.1. A mark cannot be registered if it:

⁵Marked as Exhibits "A" and "F".

- (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;"

Sec. 138. *Certificates of Registration.* – A certificate of registration of a mark shall be prima facie evidence of the validity of the registration, the registrant's ownership of the mark, and of 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.

Sec. 147. *Rights Conferred.* – 147.1. The owner of a registered mark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs or containers for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use, of an identical sign for identical goods or services, a likelihood of confusion shall be presumed.

Records show that at the time the Respondent-Applicant filed its trademark application on 09 June 2013, the Opposer has an existing trademark registration for the mark VETRACIN (Reg. No. 015061) issued on 02 September 2009. The registration covers "soluble broad spectrum antibiotic for more effective control and prevention of livestock poultry diseases" under Class 05. The Respondent-Applicant's trademark application for the mark VETERICYN covers "all purpose disinfectants, antiseptics and sterilants used in veterinary and animal related fields" under Class 05.

Hence, the question, does VETERICYN resemble VETRACIN such that confusion or deception is likely to occur? The marks are shown below:

VETRACIN

Opposer's trademark

VETERICYN

Respondent-Applicant's mark

This competing marks are both veterinary preparations. It is obvious, therefore, that the parties' marks are derived from the word "veterinary". The word VET, thus, describes the goods or the kind of goods dealt in by the parties. In order to render such a mark with the distinctive character to be eligible for registration, letters, words or features should be used in combination with the word VET or VETERI. Succintly, the Opposer's mark, composed of the word VET in

combination with RACIN, is distinctive enough to be registered albeit as a suggestive or a weak mark. Corollarily, an opposition cannot be sustained solely for the reason that the contending marks both contain the word VET. The determination whether there is confusing similarity would depend on the evaluation of the other words, letters or features that are added to the word VET. Confusion is likely in this instance because of the close resemblance between the marks which used the first syllable "VET" and the last syllable CIN/CYN. Hence, a mistake in the dispensation of veterinary preparations is possible. Likewise, it could result to mistake with respect to perception because the marks sound so similar. Under the idem sonans rule, the following trademarks were held confusingly similar in sound: "BIG MAC" and "BIG MAK"⁶, "SAPOLIN" and LUSOLIN"⁷, "CELDURA" and "CORDURA"⁸, "GOLD DUST" and "GOLD DROP". The Supreme Court ruled that similarity of sound is sufficient ground to rule that two marks are confusingly similar, to wit:

Two letters of "SALONPAS" are missing in "LIONPAS": the first letter a and the letter s. Be that as it may, when the two words are pronounced, the sound effects are confusingly similar. And where goods are advertised over the radio, similarity in sound is of especial significance...."SALONPAS" and "LIONPAS", when spoken, sound very much alike. Similarity of sound is sufficient ground for this Court to rule that the two marks are confusingly similar when applied to merchandise of the same descriptive properties.⁹

In conclusion, the subject trademark application is covered by the proscription under Sec. 123.1 (d) (iii) of the IP Code.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. M/0000/01174466 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, 21 December 2015.


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

⁶ *MacDonalds Corp, et. al v. L. C. Big Mak Burger*, G.R. No. L-143993, 18 August 2004.

⁷ *Sapolin Co. v. Balmaceda and Germann & Co,m* 67 Phil, 705.

⁸ *Co Tiong SA v. Director of Patents*, G.R. No. L- 5378, 24 May 1954; *Celanes Corporation of America vs. E. I. Du Pont de Nemours & Co.* (1946), 154 F. 2d 146 148.)

⁹ *Marvex Commerical Co., Inc. v. Petra Hawpia & Co., et. al.*, G.R. No. L-19297, 22 Dec. 1966.