

MSD INTERNATIONAL HOLDINGS GMBH,
Petitioner,

-versus-

ZEPHYR MEDICAL CORPORATION,
Respondent- Registrant.

X-----X

}
} **IPC No. 14-2013-00014**
} Petition for Cancellation:
} Reg. No. 4-2011-009586
} Date Issued: 03 December 2011
} **TM: EZOPROL™**
}

NOTICE OF DECISION

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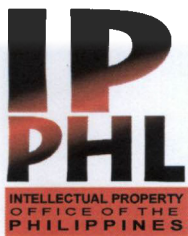
GREETINGS:

Please be informed that Decision No. 2016 - 46 dated February 16, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, February 16, 2016.

For the Director:

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



MSD INTERNATIONAL HOLDINGS GMBH, IPC No. 14-2013-00014

Petitioner,

-versus-

ZEPHYR MEDICAL CORPORATION,

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Petition for Cancellation

Registration No. 4-2011-009586

Date Issued: 03 December 2011

Trademark: "EZOPROL"

Decision No. 2016- 46

DECISION

Msd International Holdings GmbH¹ ("Petitioner") filed a petition to cancel Trademark Registration No. 4-2011-009586. The registration issued on 03 December 2011 to Zephyr Medical Corporation² ("Respondent-Registrant") covers the mark "EZOPROL" for the use on "*pharmaceutical preparation*" under Class 05 of the International Classification of Goods.³

According to the Petitioner, it is the successor-in-interest of Schering Plough Ltd., the latter being the creator and registered owner of the mark "EZETROL" for "*cholesterol absorption inhibitor*" in Class 05 covered by Registration No. 4-2001-003331 issued on 11 March 2004. It contends that the registration of the mark "EZOPROL" by the Respondent-Registrant is contrary to Section 123.1 (d) of R.A. No. 8293, also known as the Intellectual Property Code of the Philippines "IP Code". It contends that the Respondent-Registrant's mark is a colorable imitation of, and is confusingly similar to "EZOPROL" as to be likely to cause confusion, mistake and deception to the public.

In support of its petition, the Petitioner submitted the following:⁴

1. sworn statement of Lynn Brumfield;
2. certified true copy of Certificate of Registration No. 4-2001-003331;
3. copies of the 3rd and 6th year Declaration of Actual Use ("DAU") for the mark "EZETROL"; and
4. copy of the recorded change of name of Schering-Plough Ltd. to Petitioner.

This Bureau issued a Notice to Answer dated and served a copy thereof upon the Respondent-Registrant on 05 March 2013. However, Respondent-Registrant

¹ A limited liability company with principal offices at Weysstrasse 20, CH 6000 Lucerne 6, Switzerland.

² With address at 600 Shaw Blvd., Pasig City, Philippines.

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 Marked as Exhibits "A" to "E".

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failed to comply. Accordingly, the Hearing Officer issued on 04 October 2013 Order No. 2013-1352 declaring the Respondent-Registrant in default and the case submitted for decision.

Essentially, the issue to be resolved is whether Registration No. 4-2011-009586 should be cancelled.

Section 138 of the IP Code provides that:

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.

As a holder of a trademark registration, the Respondent-Registrant enjoys, among other things, the presumption of ownership of the mark "EZOPROL". Thus, the party who seeks cancellation of this trademark registration has the burden to prove compliance with the requirements and existence of the grounds for the revocation as provided for in Section 151 of the IP Code, to wit:

(a) Within five (5) years from the date of the registration of the mark under this Act.

(b) At any time, if the registered mark becomes the generic name for the goods or services, or a portion thereof, for which it is registered, or has been abandoned, or its registration was obtained fraudulently or contrary to the provisions of this Act, or if the registered mark is being used by, or with the permission of, the registrant so as to misrepresent the source of the goods or services on or in connection with which the mark is used. If the registered mark becomes the generic name for less than all of the goods or services for which it is registered, a petition to cancel the registration for only those goods or services may be filed. A registered mark shall not be deemed to be the generic name of goods or services solely because such mark is also used as a name of or to identify a unique product or service. The primary significance of the registered mark to the relevant public rather than purchaser motivation shall be the test for determining whether the registered mark has become the generic name of goods or services on or in connection with which it has been used.

(c) At any time, if the registered owner of the mark without legitimate reason fails to use the mark within the Philippines, or to cause it to be used in the Philippines by virtue of a license during an uninterrupted period of three (3) years or longer.

Records show that the Petitioner registered the mark "EZETROL" on 11 March 2004. On the other hand, the Respondent-Registrant was granted registration of the mark "EZOPROL" on 03 December 2011.

But are the competing marks, as reproduced hereafter, confusingly similar?

EZETROL **EZOPROL**

Petitioner's mark

Respondent-Registrant's mark

The competing marks similarly begin with the letters "EZ" and end with "ROL". Since the Petitioner registered "EZETROL" for cholesterol absorption inhibitors, it can be presumed that "ROL" is derived from the last syllable of the word "*cholesterol*" while "EZ" from the first letters of "*ezetimibe*", a cholesterol-lowering medication⁵. This gives away to the consumers an idea as to the purpose of the pharmaceutical preparation. Hence, this Bureau cannot sustain this opposition on that ground alone. To do so will have the unintended effect of giving the Opposer the exclusive use of "EZ" and "ROL". To determine whether the marks are indeed confusingly similar, there is a need to examine the other features of the competing marks.

In this case, the only differences between the marks are their third and fourth letters. They are composed of the same number of syllable and letters such that taken together, the competing marks are similar in appearance and pronunciation. Confusion cannot be avoided by merely adding, removing or changing some letters of a registered mark. 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 purchase the one supposing it to be the other.⁶

Succinctly, the trademarks "EZETROL" and "EZOPROL" both refer to goods under Class 05. The Respondent-Registrant's trademark registration covers "*pharmaceutical preparations*". The coverage is so broad to include "*cholesterol absorption inhibitor*" that is indicated in the Opposer's registration.

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.⁷ The Respondent-Registrant's trademark fell short in meeting this function.

⁵ <https://www.nlm.nih.gov/medlineplus/druginfo/meds/a603015.html>.

⁶ Societe des Produits Nestle, S.A. vs. Court of Appeals, GR No. 112012, 04 April 2001.

⁷ Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.

Accordingly, the registration of the mark "EZOPROL" is proscribed under Section 123.1 (d) of the IP Code, which provides that:

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

x x x

(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"

WHEREFORE, premises considered, the instant petition for cancellation is hereby **GRANTED**. Let the filewrapper of Trademark Registration No. 4-2011-009586 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 16 February 2016.


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