

NOVARTIS AG,
Opposer,

-versus-

BIOCON LIMITED,
Respondent- Applicant.

x-----x

}
} IPC No. 14-2015-00095
} Opposition to:
} Appln. Serial No. 4-2014-00503511
} Date Filed: 11 August 2014
} TM: "CANMAB"

NOTICE OF DECISION

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Counsel for the Opposer
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8741 Paseo de Roxas, Makati City

BIOCON LIMITED
c/o MUTIA TRINIDAD & PANTANOSAS
Respondent-Applicant
Unit 1207 The Taipan Place
F. Ortigas Jr. Road,
Ortigas Center, Pasig City

GREETINGS:

Please be informed that Decision No. 2016 - 154 dated May 31, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, May 31, 2016.

For the Director:

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

NOVARTIS AG,	}	IPC No. 14-2015-00095
Opposer,	}	Opposition to:
	}	
-versus-	}	Application No. 4-2014-00503511
	}	Date Filed: 11 August 2014
BIOCON LIMITED,	}	
Respondent-Applicant.	}	Trademark: CANMAB
x-----x		Decision No. 2016 - <u>154</u>

DECISION

NOVARTIS AG¹ ("Opposer") filed a Verified Notice of Opposition to Trademark Application No. 4-2014-00503511. The contested application, filed by BIOCON LIMITED² ("Respondent-Applicant"), covers the mark CANMAB for use on "*pharmaceutical compositions and preparations for the treatment of cancer and tumour related disease*" under Class 5 of the International Classification of goods³.

The Opposer anchors its opposition on the following grounds:

"10. Respondent-Applicant's proposed trademark CANMAB closely resembles CANAKINUMAB which is the generic non-proprietary name and International Non-proprietary Name (INN). It is globally recognized and is considered as public property. INN derived names like the published mark CANMAB is not eligible for trademark protection.

"11. The registration of the trademark CANMAB in the name of Respondent-Applicant will also violate Section 123.1 par. (h), (i) and (j) of the IP Code providing, in part, that a mark cannot be registered if it: x x x

"12. The trademark CANMAB being applied for by Respondent-Applicant is confusingly similar with the generic nonproprietary name CANAKINUMAB of the mark ILARIS owned by Novartis AG under Certificate of Registration No. 4-2013-003138 as to likely, when applied to or used in connection with the goods of Respondent-Applicant, cause confusion, mistake and deception on the part of the purchasing public. 123.1, subparagraph (d) of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines (IP Code), to wit: x x x

"13. The registration and use by Respondent-Applicant of the mark CANMAB will result to damage to the public and to Opposer's business and goodwill over its products bearing the mark ILARIS with the generic non-proprietary name and International Nonproprietary Name (INN)

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- 1 A corporation duly organized and existing under and by virtue of the laws of Switzerland, with business address at 4002 Basel, Switzerland.
 - 2 A corporation duly organized and existing under and by virtue of the laws of India, with address at 20th KM, Hosur Road Electronics City P. O., Bangalore 560100 Karnataka, India.
 - 3 Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks, based on a multilateral administered by the World Intellectual Property Organization. This 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.

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE

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CANAKINUMAB.

"14. The registration of the mark CANMAB in the name of Respondent-Applicant is contrary to other provisions of the IP Code of the Philippines."

In support of the Opposition, the Opposer alleges the following:

"I. Respondent-Applicant's mark closely resembles CANAKINUMAB, which is a generic nonproprietary name and International Nonproprietary Name (INN). Therefore, it is globally recognized and is considered as public property.

"15. Respondent-Applicant's proposed trademark CANMAB closely resembles CANAKINUMAB which is the generic non-proprietary name and International Non-proprietary Name (INN). It is globally recognized and is considered as public property.

"16. -mab is an INN stem for all monoclonal antibodies. The published mark CANMAB of Respondent-Applicant is a contraction of two recommended INNs: CANAKINUMAB (INN of Opposer's mark ILARIS) and CANTUZUMAB, which at this time, has not yet been commercialized.

"17. The WIPO guidelines http://www.wipo.int/edocs/mdocs/sct/en/sct_16/sct_16_3.pdf published by WIPO's Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications explicitly commands that trademarks containing INNs or INN stems constitute absolute grounds for refusal. Hence, INN derived names like the published mark CANMAB should not be eligible for trademark protection.

"18. Being an absolute ground for refusal, it is the duty and responsibility of the IPO of the Philippines to reject and disallow the registration of the published mark CANMAB in accordance with the foregoing explicit dictate of WIPO.

"19. The rule that a generic name cannot be registered is founded on the fact that International Non-proprietary Names (INN) facilitates the identification of pharmaceutical substances or active pharmaceutical ingredients. Thus, it must be strictly observed in the pharmaceutical industry to avoid confusion, which could jeopardize the safety of patients. Trademarks should neither be derived from INNs nor contain common stems used in INNs. x x x

"20. Significantly, a letter from World Health Organization (WHO) showing formal objections in several countries, namely Hong Kong, Singapore, Greece, The Bahamas, Ecuador, India, The Russian Federation, The Republic of Korea and Switzerland against the trademark application CANMAB is also attached herewith as Exhibit "C" and made integral party

hereof. x x x

In the same vein, it is the duty and responsibility of the IPO of the Philippines to reject and disallow the registration of the published mark CANMAB in accordance with the foregoing explicit dictate of WHO.

"21. Section 123.1 of the IP Code of the Philippines also provides, in part, that a mark cannot be registered if it:

"(h) Consists exclusively of signs or of indications that are generic for the goods or services that they seek to identify;

"(i) Consists exclusively of signs or of indications that have become customary or usual to designate the goods or services in everyday language or in bona fide and established trade practice;

"(j) Consists exclusively of signs or of indications that may serve in trade to designate the kind, quality, quantity, intended purpose, value, geographical origin, time or production of the goods or rendering of the services; x x x"

"22. In the case of *Sanofi Aventis v. Verheilen Pharmaceuticals, Inc.*, Appeal No. 14-08-12, 19 December 2008, the Office of the Director General discussed in detail that a mark that is confusingly similar to a generic name cannot be registered, thus: x x x

"23. Corollarily, if Respondent-Applicant will have exclusive right over the mark CANMAB, it will then have the right to prevent third parties to use in commerce the generic name CANAKINUMAB on the ground of confusing similarity to CANMAB.

"24. Hence, CANMAB being confusingly similar to CANAKINUMAB, which is the generic nonproprietary name and International Non-proprietary Name (INN) and thus, globally recognized and is considered public property, cannot be registered as a trademark by Respondent-Applicant.

"II. The registration of the trademark CANMAB in the name of Respondent-Applicant is contrary to the provisions of RA 8293, otherwise known as the Intellectual Property Code of the Philippines (IP Code), particularly, Sections 123.1 (d), (h), (i) and (j).

"25. Section 123.1 of the IP Code specifically provides what cannot be registered. It states: x x x

"26. In the instant case, Respondent-Applicant seeks registration of its mark CANMAB for goods in Class 05, particularly, "Pharmaceutical



compositions and preparations for the treatment of cancer and tumour related disease". The said mark is confusingly similar to CANAKINUMAB which is the generic nonproprietary name and International Nonproprietary Name (INN) and thus considered as public property. Hence, Respondent-Applicant's CANMAB cannot be registered.

"27. It is important to note that while Opposer's mark is ILARIS, which is duly registered, however, under the Generics Act of the Philippines (R. A. No. 6675), it is required and mandated under pain of civil and criminal penalty to print on the label of the drug the generic name CANAKINUMAB together with the brand name. In fact, Section 6 (c) thereof provides that the generic name (CANAKINUMAB) shall appear prominently and immediately above the brand name, thus: x x x

"28. Thus, the goods of Opposer Novartis AG is known, marketed and labelled worldwide as CANAKINUMAB (ILARIS). x x x

"29. With the limitless choice of words available to Respondent-Applicant, there is no excuse or justification why it would choose to register a confusingly similar trademark to a generic nonproprietary name and an International Nonproprietary Name that is considered a public property.

"30. The registration and use of the trademark CANMAB by Respondent-Applicant will also deceive and/or confuse purchasers into believing that Respondent-Applicant's goods and/or products bearing the trademark CANMAB emanate from or are under the sponsorship of Opposer Novartis, owner and registrant of the registered trademark ILARIS with the generic non-proprietary name and International Nonproprietary Name (INN) CANAKINUMAB.

"III. The goods covered by Respondent-Applicant's mark CANMAB are similar and competing with the goods covered by Opposer's mark ILARIS with the generic non-proprietary name and International Nonproprietary Name (INN) CANAKINUMAB such that Respondent-Applicant's use of its proposed mark will most likely cause confusion in the minds of the purchasing public.

"31. Respondent-Applicant's trademark application for CANMAB covers:

"Pharmaceutical compositions and preparations for the treatment of cancer and tumour related disease"

while Opposer's CANAKINUMAB (ILARIS) trademark covers:

"Anti-inflammatories, antibacterial pharmaceuticals; antibiotics; antifungal preparations; antivirals; cardiovascular pharmaceutical preparations acting on the central nervous system, etc."

"32. Evidently, both sets of goods cover pharmaceutical goods fall under the same international Class 05. The confusion between pharmaceutical goods bearing the respective confusingly similar words CANMAB and CANAKINUMAB (ILARIS) is more likely and pronounced.

"33. Both goods therefore are sold in the same channels of business and trade, i. e. *pharmacies, drug stores, hospitals, clinics and similar establishments*. Hence, the potential confusion on the consuming public is greater. In view of the similarity of the covered goods, the purchasing public will most likely be deceived to purchase the goods of Respondent-Applicant labeled CANMAB in the belief that they are purchasing Opposer's products bearing the label CANAKINUMAB (ILARIS). This will result to damage to the public and to Opposer's business and goodwill over its products bearing the mark ILARIS with the generic non-proprietary name and International Nonproprietary Name (INN) CANAKINUMAB. x x x

"35. In view of the similarity similarity of the covered goods under International Class 5, the purchasing public will most likely be deceived to purchase Respondent-Applicant's goods in the belief that they are purchasing Opposer's goods. This will thus result to damage to the public and to Opposer's established business and goodwill, which should not be allowed.

"36. As held by the ODG-IPO in the case of *Korea United Pharm, Inc. v. Beecham Group PLC* (Appeal No. 14-06-25, April 18, 2008), "*if there is any possibility of such confusion in the case of medicines, public policy requires that the use of the confusingly similar name be enjoined*" to protect consumers from the constant threat of medicine switching because of confusingly similar marks for medicines. Accordingly, the application for registration of the confusingly similar mark CANMAB should be rejected.

"IV. Opposer, being the prior registrant in the Philippines of the mark ILARIS with the generic nonproprietary name and International Nonproprietary Name (INN) CANAKINUMAB, has superior right over the said mark against other marks similar thereto, including those confusingly similar to the generic nonproprietary name CANAKINUMAB, the registration and use of which the entire pharmaceutical world, through the WIPO as well as the WHO, disallows.

"37. In the Philippines, Opposer is the owner of the trademark ILARIS with the generic non-proprietary name and International Nonproprietary Name (INN) CANAKINUMAB, the particulars of which are as follows: x x x

"38. By virtue of Opposer's prior registration in the Philippines of the trademark ILARIS with the generic non-proprietary name and International Nonproprietary Name (INN) CANAKINUMAB, said trademark have become distinctive of Opposer's goods and business.

"39. The mark CANMAB of Respondent-Applicant is confusingly similar with the generic nonproprietary name CANAKINUMAB of the mark ILARIS owned by Opposer Novartis AG. Viewed from a distance, CANAKINUMAB and CANMAB "look" alike. CANMAB also sounds similar to CANAKINUMAB. Being alike in appearance, they are also phonetically close having the same sound and pronunciation.

"40. As previously explained, the Generics Act of the Philippines requires that all drugs and medicines sold in the Philippines must indicate prominently the generic name of the product. Thus, the drug ILARIS of Opposer Novartis AG is actually labeled and marketed as CANAKINUMAB (ILARIS).

"41. Novartis AG being the registrant of the trademark ILARIS with the generic non-proprietary name and International Nonproprietary Name (INN) CANAKINUMAB is entitled to the peaceful use of the same and it may lawfully prevent others from adopting and using any mark that would disturb its rights.

"42. Opposer, through its local subsidiaries Novartis Healthcare Phils. Inc. and Sandoz Philippines Corp. has also registered its products bearing the mark ILARIS with the generic non-proprietary name and an International Nonproprietary Name (INN) CANAKINUMAB with the Food and Drug Administration (FDA) of the Philippines.

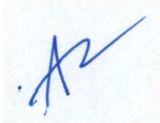
"43. The Generics Act of the Philippines explicitly mandates that:

"...the generic name shall appear prominently and immediately above the brand name in all product labels as well as in advertising and other promotional materials".

By virtue of Opposer's registration in the Philippines of the trademark ILARIS, the INN CANAKINUMAB shall appear prominently and immediately above the brand name as provided for by law. In which case, said trademark together with the INN CANAKINUMAB has become distinctive of Opposer's goods and business. Hence, the published mark CANMAB will surely be confused with CANAKINUMAB and consequently through association, will also be confused with the trademark ILARIS.

"44. A boundless choice of words, phrases and symbols is available to a person who wishes to have a trademark sufficient unto itself to distinguish its products from those of others. There is no reasonable explanation therefore for Respondent-Applicant to use the word CANMAB when the field for its selection is so broad. Respondent-Applicant obviously intends to maliciously trade and is maliciously trading on Opposer's goodwill. x x x

"47. Indubitably, the registration and use of the trademark CANMAB by Respondent-Applicant will deceive and/or confuse



purchasers into believing that Respondent-Applicant's goods and/or products bearing the trademark CANMAB emanate from or are under the sponsorship of Opposer Novartis AG, owner/registrant of the trademark ILARIS since the "product labels, advertising and other promotional materials" of the drug ILARIS prominently bear the generic non-proprietary name and International Nonproprietary Name (INN) CANAKINUMAB as required by the Generics Act of the Philippines. This will therefore diminish the distinctiveness and dilute the goodwill of Opposer's trademark.

"48. In view of the foregoing, CANMAB, being confusingly similar to CANAKINUMAB, which is considered the generic nonproprietary name and International Nonproprietary Name (INN) and thus, globally recognized and is considered public property, cannot be registered as a trademark by Respondent-Applicant."

The Opposer's evidence consists of:

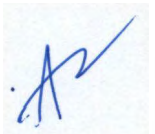
1. Copy of Certificate of Registration No. 4-2013-003138 for the mark ILARIS with the generic nonproprietary name and International Nonproprietary Name (INN) CANAKINUMAB;
2. Copy of the guidelines on marks and International Nonproprietary Names (INN) for Pharmaceutical Substances published by WIPO Standing Committee on the Law of Trademarks, Industrial Design and Geographical Indications;
3. Certified true copy of the letter dated 30 January 2015 signed by Dr. Raffaella Balocco Mattavelli;
4. Printout of product packaging bearing the label CANAKINUMAB (ILARIS);
5. Printouts of promotional advertisements accessible through the website www.ilaris.com;
6. Novartis AG's Annual Report for the year 2014;
7. Certificate of Product Registration No. BR-1052 for the mark ILARIS with the generic nonproprietary name and International Nonproprietary Name (INN) CANAKINUMAB issued by the Food and Drug Administration;
8. Original notarized and legalized Corporate Secretary's Certificate dated 24 March 2015; and
9. Original notarized and legalized Affidavit-Testimony of witness Antoinette Lachat dated 24 March 2015.⁴

This Bureau issued and served a copy of the Notice to Answer upon the Respondent-Applicant on 08 May 2015. The Respondent-Applicant, however, failed to file its Answer. Thus, Order No. 2015-1101 was issued on 30 July 2015 declaring the Respondent-Applicant in default. Hence, this case is now submitted for decision.

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

Section 123.1 (h), (i) and (j) of R. A. No. 8293, otherwise known as the Intellectual Property Code of the Philippines ("IP Code") provides, in part, that a mark cannot be registered if it:

⁴ Marked as Exhibits "A" to "I".



(h) Consists exclusively of signs that are generic for the goods or services that they seek to identify;

(i) Consists exclusively of signs or of indications that have become customary or usual to designate the goods or services in everyday language or in bona fide and established trade practices;

(j) Consists exclusively of signs or of indications that may serve in trade to designate the kind, quality, quantity, intended purpose, value, geographical origin, time or production of the goods or rendering of the services, or other characteristics of the goods or services.

Generic terms are those which constitute "*the common descriptive name of an article or substance,*" or comprise the "*genus of which the particular product is a species,*" or are commonly used as the "*name or description of a kind of goods,*" or imply reference to "*every member of a genus and the exclusion of individuating characters,*" or "*refer to the basic nature of the wares or services provided rather than to the more idiosyncratic characteristics of a particular product,*" and are not legally protectable. On the other hand, a term is descriptive and therefore invalid as a trademark if, as understood in its normal and natural sense, it "*forthwith conveys the characteristics, functions, qualities or ingredients of a product to one who has never seen it and does not know what it is,*" or "*if it forthwith conveys an immediate idea of the ingredients, qualities or characteristics of the goods,*" or if it clearly denotes what goods or services are provided in such a way that the consumer does not have to exercise powers of perception or imagination.⁵

The Respondent-Applicant's CANMAB, therefore, should not be allowed for registration as it consists of the generic or International Nonproprietary Name (INN) CANAKINUMAB. CANMAB is obviously a combination of the prefix CAN- and the INN stem -MAB such that when used as a trademark it closely resembles the INN CANAKINUMAB, which is a monoclonal antibody. The use of CANMAB for pharmaceutical preparation for the treatment of cancer and tumour related disease will have the unintended effect of giving the Respondent-Applicant the exclusive right to appropriate CAN and the INN stem -MAB, *-mab* being the common stem for monoclonal antibodies and which merely forms part of the generic and International Nonproprietary Name (INN) CANAKINUMAB. In the marketing aspect, CANMAB may be considered as a sort of "brand recall" for the INN CANAKINUMAB.

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.⁶ The Respondent-Applicant's applied mark failed to satisfy this function test.

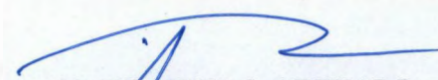
⁵ *Societe Des Produits Nestle S. A. v. Court of Appeals*, 356 SCRA 207, 222-223.

⁶ See *Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 Nov. 1999.

WHEREFORE, premises considered, the opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2014-00503511 be returned, together with a copy of this Decision, to the Bureau of Trademarks (BOT) for information and appropriate action.

SO ORDERED.

Taguig City, 31 MAY 2016



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