

NOVARTIS AG,
Opposer,

-versus-

THE GENERICS PHARMACY, INC.,
Respondent- Applicant.

X-----X

IPC No. 14-2012-00560
Opposition to:
Appln. Serial No. 4-2012-006827
Date Filed: June 06, 2012
TM: "DERMAGEN"

NOTICE OF DECISION

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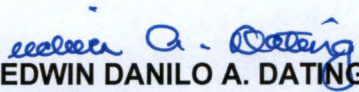
THE GENERICS PHARMACY, INC.,
Respondent- Applicant
459 Quezon Avenue
Quezon City

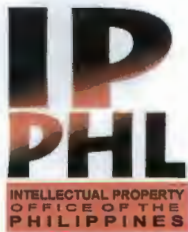
GREETINGS:

Please be informed that Decision No. 2016 - 105 dated April 04, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, April 04, 2016.

For the Director:


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



NOVARTIS,
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- versus -

THE GENERICS PHARMACY, INC.,
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IPC No. 14-2012-00560
Opposition to:

Appln. No. 4-2012-006827
Date Filed: 06 June 2012
Trademark : **"DERMAGEN"**

Decision No. 2016 - 105

DECISION

NOVARTIS ("Opposer"),¹ filed a verified opposition to Trademark Application Serial No. 4-2012-006827. The application, filed by THE GENERICS PHARMACY, INC. ("Respondent-Applicant"),² covers the mark "DERMAGEN" for use on goods under class 05³ namely: *pharmaceutical preparation used as topical anti-infectives.*

The Opposer alleges the following grounds for opposition:

"1. The trademark DERMAGEN being applied for by respondent-applicant is confusingly similar to opposer's trademark DERMGEL under Registration No. 4-2008-000935, as 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.

"2. The registration of the trademark DERMAGEN in the name of respondent-applicant will violate Section 123.1, subparagraph (d) of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines.

"3. The registration and use by respondent-applicant of the trademark DERMAGEN will diminish the distinctiveness and dilute the goodwill of opposer's trademark DERMGEL.

"4. The registration of the trademark DERMAGEN in the name of respondent-applicant is contrary to other provisions of the Intellectual Property Code of the Philippines.

The Opposer's evidence consists of the following:

1. Pertinent pages of the IP E-Gazette;
2. Product packaging of goods bearing the trademark DERMGEL;
3. Sales invoices for DERMGEL products;
4. Promotional materials;

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

² A domestic corporation with office address at 459 Quezon Avenue, Quezon City.

³ The Nice Classification of goods and services is for registering trademark and service marks, based on a 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.

5. Saegis Pharma-In-Use Report showing use of DERMGEL in various countries and screen prints of Novartis websites;
6. Table listing global trademark registrations for DERMGEL;
7. Corporate Secretary's Certificate;
8. Certificate of Authentication;
9. Affidavit-Testimony of Nazuki Hughes and Mary F. Leheny; and,
10. Novartis AG's Annual Report for 2012.

This Bureau issued and served upon the Respondent-Applicant on 19 February 2013. However, this Bureau did not receive an answer and thus, Respondent-Applicant is declared in default and this case is deemed submitted for decision.⁴

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

The instant opposition is anchored on Section 123.1 paragraph (d) of R.A. No. 8293, also known as the Intellectual Property Code which provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of the same goods or services or closely related goods or services if it nearly resembles such mark as to be likely to deceive or cause confusion.

The records and evidence show that at the time the Respondent-Applicant filed its trademark application on 06 June 2012⁵, the Opposer has shown a listing of trademark registrations for DERMGEL globally, but has not shown trademark registration for its mark DERMGEL in the Philippines

A comparison of the Opposer's mark with the Respondent-Applicant's is depicted below:

DERMGEL

Opposer's Trademark

DERMAGEN

Respondent-Applicant's Trademark

What is common between the marks is the prefix "DERM". "DERM" is obviously derived from the medical term "DERMATOLOGY", which refers to the branch of medicine dealing with skin and its infections.⁶ It is a fair inference that the parties appropriated the prefix "DERM" as part or component of their respective trademarks because the pharmaceutical products covered by the marks are for the treatment of skin diseases or infections. Thus, this Bureau cannot sustain the opposition on the basis of the prefix "DERMA" alone. To do so would have the effect of giving the Opposer the exclusive right to use the prefix "DERM", which is already of common usage as far as the pharmaceutical products involved are concerned. In fact, in the Trademark Registry, the contents of which this Bureau can take cognizance of via judicial notice, there are registered marks covering pharmaceutical preparations or goods related to skin treatment and care, that have the word "DERM", and registered under various owners, among which are: **DERM OPTIONS** (Reg. No. 42014010486, class 3); **GLY DERM** (Reg.

⁴ Order No. 2013-992 dated 11 July 2013.

⁵ Filewrapper records.

⁶ Dictionary.com, available at <http://dictionary.reference.com/browse/dermatology> (last accessed 11 January 2016).

No. 42010500958, class 3); **DERM A** (Reg. No. 42010000309, classes 3 and 5); **NU DERM** (Reg. No. 060785, class 5); and, **TEEN DERM** (Reg. No. 1290133, classes 3 and 5).⁷

Thus, in determining the issue of whether DERMAGEN should not be registered on the ground that it is confusingly similar to DERMGEL, it is imperative to look into the components, features or elements of the marks aside from the prefix "DERM". The identical prefix DERM is paired with the letters , A, G, E and N to produce the Opposer's mark DERMAGEN. On the other hand, the letters G, E and L is appended to the prefix DERM, resulting in Respondent-Applicant's mark "DERMGEL". "A-GEN" is visually and aurally different to "GEL". Thus, the consumers can easily distinguish DERMALIN from DERMAGEN. Confusion, much less deception is unlikely to occur.

Moreover, it appears in the Opposer's actual product packaging,⁸ that the word DERMGEL is not actually used as a trademark or brand name of the product. The word DERMGEL gives the impression of the pharmaceutical products' topical formulation, whether it is in the form of gel, cream or lotion. The medicine shows that it bears the mark LAMISIL with the generic name TERBINAFINE, and the 1% DERMGEL describes the formulation of the said pharmaceutical product.⁹

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 out into the market a superior 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.¹⁰ This Bureau finds that the Respondent-Applicant's mark sufficiently serves this function.

WHEREFORE, premises considered, the instant opposition is hereby **DISMISSED**. Let the filewrapper of Trademark Application Serial No. 4-2012-006827 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 04 April 2016.


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

⁷ Philippine Trademark Database, available at <http://www.wipo.int/branddb/ph/en/> (last accessed 01 April 2016).

⁸ Exhibits "A", "C" and "D" (inclusive of sub-markings) of Opposer.

⁹ Id.

¹⁰ Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 Nov. 1999. See also Article 15, par. (1), Art. 16, par. 91 of the Trade-related Aspect of Intellectual Property (TRIPS Agreement).