

<pre>} Oppo } Appl</pre>	IPC No. 14-2014-00279 Opposition to: Appln. Serial No. 4-2014-002675 Date Filed: 03 March 2014
} TM:	"VALPROZEN"
}	
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	<ul><li>Opposition</li><li>Appl</li><li>Date</li></ul>

#### NOTICE OF DECISION

## **OCHAVE & ESCALONA**

Counsel for Opposer No. 66 United Street Mandaluyong City

#### **CESAR C. CRUZ AND PARTNERS**

Counsel for Respondent- Applicant 3001 Ayala Life- FGU Center 6811 Ayala Avenue Makati City

# **GREETINGS:**

Please be informed that Decision No. 2016 - 274 dated August 04, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, August 04, 2016.

ATTY. Z'SA MAY B. SUBEJANO-PE LIM
Adjudication Officer

Bureau of Legal Affairs



# MEDICHEM PHARMACEUTICALS, INC.,

Opposer,

-versus-

IPC No. 14-2014-00279

Opposition to Trademark

Application No. 4-2014-002675

Date Filed: 03 March 2014

Trademark: "VALPROZEN"

SANOFI,

Respondent-Applicant.

Respondent-Applicant.

-----x Decision No. 2016- 274

### **DECISION**

Medichem Pharmaceuticals, Inc.<sup>1</sup> ("Opposer") filed an opposition to Trademark Application Serial No. 4-2014-002675. The contested application, filed by Sanofi<sup>2</sup> ("Respondent-Applicant"), covers the mark "VALPROZEN" for use on "pharmaceutical preparations" under Class 05 of the International Classification of Goods<sup>3</sup>.

The Opposer anchors its opposition on Section 123.1 (d) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"). It contends that the Respondent-Applicant's mark "VALPROZEN" will likely cause confusion, mistake and deception on the part of the purchasing public considering that the opposed mark is applied for the same class and goods as that of its mark "VALPROS", which was approved for trademark registration on 11 March 2010. It avers that it has extensively used its mark in commerce in the Philippines and that it has registered its products with the Bureau of Food and Drugs ("BFAD"). It also alleges that the Intercontinental Marketing Services ("IMS") acknowledged and listed "VALPROS" as one of the leading brands in the Philippines in the category of "N03A-Anti-Epilepics" in terms of market share and sales performance. In support its Opposition, the Opposer submitted the following as evidence:<sup>4</sup>

- 1. pertinent page of the IPO E-Gazette publishing the Respondent-Applicant's trademark application;
- certified copy of Certificate of Registration No. 4-2009-006037 for the mark "VALPROS";
- certified true copy of the Declaration of Actual Use ("DAU");
- 4. sample product packaging label bearing the mark "VALPROS";

<sup>4</sup> Marked as Exhibits "A" to "F".

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE

Intellectual Property Center # 28 Upper McKinley Road, McKinley Hill Town Center, Fort Bonifacio,
Taguig City 1634 Philippines •www.ipophil.gov.ph
T: +632-2386300 • F: +632-5539480 •mail@ipophil.gov.ph



<sup>&</sup>lt;sup>1</sup> A corporation duly organized and existing under and by virtue of the laws of the Philippines with office address at 132 Pioneer Street, Mandaluyong City, Philippines.

<sup>&</sup>lt;sup>2</sup> A foreign corporation with address at 54 Rue La Boetie 75008 Paris, France.

<sup>&</sup>lt;sup>3</sup> 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.

- certified true copy of the Certificate of Product Registration issued by BFAD for "VALPROS";
- 6. copy of the certification and sales performance issued by IMS.

For its part, the Respondent-Applicant denies that "VALPROZEN" and "VALPROS" are confusingly similar. According to the Respondent-Applicant, there are perceptible and marked differences between the two phonetically and visually as the emphasis on the Opposer's mark is on the whole word mark while that of its applied mark is on the last two syllables pronounced akin to the word "FROZEN". The Opposer's mark is also composed of two syllables while that of its own has three. It asserts that the similarity on the first six letters in both marks is not sufficient to conclude that a person who sees them will associate "VALPROZEN" with "VALPROS". In addition, it maintains that since medicinal products are not ordinary household items bought at minimal costs, the purchasing public will be more cautious in their purchases. The Respondent-Applicant's evidence consists of the affidavit of its Legal Director, Sylvie Guillas, with annexes.<sup>5</sup>

Pursuant to Office Order No. 154, s. 2010, the Hearing Officer referred the case to mediation. This Bureau's Alternative Dispute Resolution Services submitted a report that the parties failed to mediate. Accordingly, a Preliminary Conference was conducted on 28 January 2016 where the parties were directed to submit their respective position papers within ten days from the said date. After which, the case is deemed submitted for resolution.

The primordial issue in this case is whether the trademark "VALPROZEN" should be allowed registration.

Section 123.1(d) of the IP Code, relied upon by Opposer, provides that:

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

XXX

- (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"

Records reveal that at the time the Respondent-Applicant filed the contested application on 03 March 2014, the Opposer already has a valid and existing

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<sup>&</sup>lt;sup>5</sup> Marked as Exhibit "B".

registration for the mark "VALPROS" under Certificate of Registration No. 4-2009-006037<sup>6</sup> issued on 11 March 2010.

To determine whether the competing marks are confusingly similar, the two are reproduced below for comparison:

# Valpros VALPROZEN

Opposer's mark

Respondent-Applicant's mark

The marks are apparently similar with respect to the beginning letters "VALPRO". The sample product label submitted by the Opposer as evidence<sup>7</sup>, however, shows that the generic name of its products bearing the mark "VALPROS" is *sodium valproate vaproic acid*. Clearly, the Opposer derived "VALPRO" from the generic name of its product and merely added the letter "S" in the end. The mark or brand name itself gives away or tells the consumers the goods or service and/or the kind, nature, use or purpose thereof. Succinctly, what easily comes to the mind one when one sees or hears a mark or brand name for pharmaceuticals containing *sodium valproate vaproic acid* wherein "VALPRO" is a part of is the very concept or idea of the goods. As such, the Opposer cannot claim exclusive use or protection on the mere fact that another trademark appropriates "VALPRO". The Supreme Court explained in Societe des Produits Nestle vs. Court of Appeals<sup>8</sup> that:

"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

<sup>6</sup> Exhibit "B".

<sup>7</sup> Exhibit "D".

<sup>&</sup>lt;sup>8</sup> G.R. No. 112012, April 4, 2001.

# a way that the consumer does not have to exercise powers of perception or imagination."

What will therefore set apart or distinguish such mark from another which also includes the term "VALPRO" is the letters, syllable, words or figures that come before or after the generic name. In this case, the ending letter "S" in the Opposer's mark is confusingly similar with "ZEN". Noteworthy, the letters "S" and "Z" have the same slashing figure and are closely similar when pronounced. Thus, it appears that the Respondent-Applicant merely added the letters "EN", which is insufficient to lend the mark the distinctiveness required by law. Overall, the competing marks bear resembling visual appearance, pronunciation and impression. 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.<sup>9</sup>

Moreover, the trademarks "VALPROS" and "VALPROZEN" both refer to goods under Class 05. The Respondent-Applicant's trademark application covers "pharmaceutical preparations". This means that it uses or can use the mark "VALPROZEN" also for "antiepileptic pharmaceutical preparation" that is indicated in the Opposer's registration or for goods that are similar or related thereto. Indeed, the registered trademark owner may use its mark on the same or similar products, in different segments of the market, and at different price levels depending on variations of the products for specific segments of the market. Thus, the consumers may have the notion that Opposer expanded business and manufactured a new product by the name "VALPROZEN", which could be mistakenly assumed a derivative or variation of "VALPROS".

Furthermore, it is settled that the likelihood of confusion would not extend not only as to the purchaser's perception of the goods but likewise on its origin. Callman notes two types of confusion. 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 then 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."<sup>11</sup>

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

<sup>11</sup> Societe des Produits Nestle, S.A. vs. Dy, G.R. No. 172276, 08 August 2010.

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<sup>&</sup>lt;sup>9</sup> Societe des Produits Nestle, S.A. vs. Court of Appeals, GR No. 112012, 04 April 4 2001.

<sup>&</sup>lt;sup>10</sup> Skechers, USA, Inc. vs. Inter Pacific Industrial Trading Corp., G.R. No. 164321, 23 March 2011.

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.<sup>12</sup> The Respondent-Applicant's trademark failed to meet this function.

Accordingly, this Bureau finds and concludes that the Respondent-Applicant's trademark application is proscribed by Sec. 123.1(d) of the IP Code.

**WHEREFORE**, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2014-002675 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 04 August 2016.

ATTY. Z'SA MAY B. SUBEJANO-PE LIM

Adjudication Officer Bureau of Legal Affairs

<sup>&</sup>lt;sup>12</sup> Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.