

AVENTISUB II LLC.,	}	IPC No. 14-2014-00545
Opposer,	}	Opposition to:
	}	Application No. 4-2014-007035
	}	Date Filed: 04 June 2014
-versus-	}	Trademark: "ALLERGO"
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	}	
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AMBICA INTERNATIONAL TRADING	}	
CORPORATION,	}	
Respondent- Applicant.	}	
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## NOTICE OF DECISION

## **CESAR C. CRUZ PARTNERS LAW OFFICES**

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## **GENER CABOTAJE SANSAET**

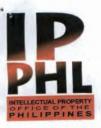
Counsel for Respondent-Applicant West Tower 2005-A, PSE Centre Exchange Road, Ortigas Center Pasig City

## **GREETINGS:**

Please be informed that Decision No. 2016 - 363 dated October 12, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, October 12, 2016.

MARILYN F. RETUTAL IPRS IV Bureau of Legal Affairs



AVENTISUB II LLC.,

IPC No. 14-2014-00545 Opposer,

Opposition to:

Application No. 4-2014-007035

Date Filed: 04 June 2014

Trademark: "ALLERGO"

AMBICA INTERNATIONAL TRADING CORPORATION,

-versus-

Respondent-Applicant. }

Decision No. 2016- 363

## DECISION

AVENTI SUB II INC.1 ("Opposer") filed an opposition to Trademark Application Serial No. 4-2014-007035. The application, filed by Ambica International Trading Corporation<sup>2</sup> ("Respondent-Applicant"), covers the mark "ALLERGO" for use on "pharmaceutical preparations namely anti-histamine" under Class 05 of the International Classification of Goods and Services.3

The Opposer alleges:

"IV.

#### "GROUNDS IN SUPPORT OF THIS OPPOSITION

- The Respondent-Applicant's application for the registration of the mark ALLERGO should not be accepted by this Honorable Office since to do so would be contrary to Section 123.1 (d) and Section 123.1 (f) of the Intellectual Property Code, which prohibits the registration of a mark that:
- The act of Respondent-Applicant in adopting the mark ALLERGO for its pharmaceutical products in International Class 5 is clearly an attempt to trade unfairly on the goodwill, reputation and consumer awareness of the Opposer's internationally wellknown ALLEGRA mark that was previously registered before this Honorable Office. Such act of the Respondent-Applicant results in the diminution of the value of the Opposer's internationally well-known ALLEGRA mark.
- "12. The Opposer's internationally well-known ALLEGRA mark is registered in International Class 5, for Pharmaceutical Products for Antihistamine agents, identical to the class to which the Respondent-Applicant seeks registration for tis ALLERGO mark. Further, because of the Opposer's mark is internationally well-known, the same is likely to be associated with the Respondent-Applicant's ALLERGO mark leading to consumer confusion.

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Republic of the Philippines

A foreign corporation organized and existing under the laws of France, with principal address at 54 Rue La Boetie 75008 Paris, France. With address at #9 Amsterdam Extension, Merville Park Subdivision, Paranaque City, Metro Manila, Philippines.

<sup>&</sup>lt;sup>3</sup>The 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 that International Classification of Goods and Services for the Purposes of the Registration of Marks concluded in 1957.

- "13. Goods are closely related when they belong to the same class, or have the same descriptive properties, or when they possess the same physical attributes or characteristics, with reference to their form, composition, texture or quality.
- "14. Opposer first filed its registration for the ALLEGRA mark in the Philippines in 2012. Today, there is one ALLEGRA trademark registered with the Philippine Intellectual Property Office.
- "15. The Opposer's ALLEGRA trademark, being the more senior mark, clearly enjoys protection. Jurisprudence is well-settled that protection is accorded to trademarks that have prior, or a more senior registration. As held by the Supreme Court in the case of Berris Agricultural Co., Inc., vs. Norvy Abyadang,

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"Clearly, ownership and protection of a trademark is granted from its registration and actual use. The Opposer's products have been available to the consuming public since the late 2000s and to the Filipino public since as far back as 2012. Moreover, the Opposer is undoubtedly the more senior registrant, being first issued a Certificate of Registration in the Philippines in 2012. The Court also held that registration of the mark also grants the registrant exclusive right to use the trademark, thereby precluding the Respondent-Applicant, the more junior applicant, from appropriating and using the same.

- "16. Certificates of registration that the Opposer has obtained all over the world, included in the Affidavit attached hereto as Annex 'B', is evidence that the Opposer's mark ALLEGRA is internationally well-known and warrants protection.
- "17. The Opposer's mark ALLEGRA and the Respondent-Applicant's mark ALLERGO are identical and/or similar, in the following respects to wit:
  - "17.1 Both are purely word marks, ALLEGRA and ALLERGO;
  - "17.2 Both marks are composed of only three (3) syllables, AL-LEG-RA and AL-LER-GO respectively, which when applied to identical/similar goods heighten the visual, aural, phonetic and conceptual similarity between the marks;
  - "17.3 Both marks are composed of the same prefix 'ALLE'-'ALLE'-GRA and 'ALLE'-RGO;
  - "17.4 Both use five (5) identical letters namely, 'A', 'L', 'E', 'G', and 'R'. Consumer confusion arises inevitably with the use of five (5) identical letters in the same 'position' out of the letters for each mark to identify the goods in the marketplace. The only difference is the swapping of the positions of the letters 'R' and 'G' i.e. ALLE-'G'-RA and ALLE-'R'-GO and the use by the Respondent-Applicant of the letter 'O' in its mark, i.e. ALLERG-'O'. It is undeniable that even a prudent purchaser will have a hard time choosing and distinguishing one product from the other. It is without question that allowing the Respondent-Applicant to use the mark ALLERGO for pharmaceutical products that treat the same illness would inevitably lead to diluting the distinctiveness of the well known mark especially between competitors in the same industry; and
  - "17.5 Both marks are applied for, used or intended to be used in the similar class of goods namely in International Class 5.

"18. The Respondent-Applicant's mark ALLERGO very closely resembles and is very similar to the Opposer's internationally well-known ALLEGRA mark that was previously registered in the Philippines and elsewhere in the world. The resemblance of the Opposer's and the Respondent-Applicant's respective marks is more evident upon a juxtaposition of the said marks.

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- "19. Goods bearing the Opposer's mark ALLEGRA and the Respondent-Applicant's mark ALLERGO are commercially available to the public through the same channels of trade such that an undiscriminating buyer might confuse and interchange the products bearing the Respondent-Applicant's mark ALLERGO for goods bearing the Opposer's internationally well-known mark ALLEGRA. It is worthy to mention that the relevant consumers affected herein will be the buyers of pharmaceutical products. Naturally, consumers would merely rely on recollecting the dominant and distinct wording of the marks. There is a great similarity and not much difference between the Opposer's mark ALLEGRA and the Respondent-Applicant's mark ALLERGO. Thus, confusion will likely arise and would necessarily cause the interchanging of one product with the other.
- "20. Considering the fact that the goods involved are related and flow through the same channels of trade, the possibility of confusion is more likely to occur in the light of the fact that ordinary consumers, who are prone to self-diagnose illnesses and purchase prescription drugs even without a doctor's prescription, may mistakenly believe that the goods of the Respondent-Applicant is equivalent to, or affiliated with, the Opposer's goods.
- "21. The Respondent-Applicant's ALLERGO mark so closely resembles the Opposer's internationally well-known ALLEGRA mark that the Filipino public will undoubtedly confuse one with the other or worse, believe that goods bearing the Respondent-Applicant's mark ALLERGO originate from the Opposer, or, at least, originate from economically linked undertakings.
- "22. In American Wire & Cable Co. v. Director of Patents, 31 SCRA 544, 547-548 (1970), the Supreme Court through Justice J.B.L. Reyes ruled:

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"23. In addition, under the rule of idem sonans, it is clear that there is a confusing <u>aural</u> similarity between the marks. The Supreme Court has held that the mark 'Gold Top is 'aurally' similar to 'Gold Toe'. Furthermore, in McDonalds's vs. L.C. Big Mak, 437 SCRA 10, 34 (2004) citing Marvex Commercial Co., Inc. vs. Petra Hawpia & Co., et al., Phil 295, 18 SCRA 1178 (1966) the Supreme Court held:

#### $x \times x$

"24. The Honorable Office also had occasion to deny the registration of a trademark under the rule of idem sonans. In Inter Partes Case No. 14-2009-00086 concerning the registration of the trademark 'RENNIE', this Honorable Bureau ruled:

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"25. The Opposer's internationally well-known mark ALLEGRA is an Anti-histamine agent, and is used as an anit-allergy drug or as decongestant. The goods bearing the Respondent-Applicant's mark ALLERGO is also an Anti-histamine agent.

designated under International Class 5. The presence of two identical and/or similar pharmaceutical products bearing highly similar trademarks which are used to treat the same illnesses will indubitably lead to consumer confusion.

- "26. In consonance with public policy, it is the duty of this Honorable Office to protect the Filipino purchasing public by ensuring that there is no confusing similarity involving medicinal products. Unlike ordinary goods, confusion of product between medicinal goods may also arise from as a result of a physician's illegible handwriting, thus the need for further protection. This has been recognized in jurisprudence, notably in Morgenstern Chemical Co. v. G.D. Searle & Co., 253 F. 2d 390 (1958).
- "27. In Morgenstern, the United States Court of Appeals ruled that the, 'obvious similarity in derivation, suggestiveness, spelling, and sound in careless pronunciation, between 'Micturin' and 'Mictine' as applied to pills to be taken by mouth for therapeutic purposes requires the conclusion, in the circumstances of this case, that the defendant has infringed the rights of the plaintiff in its common-law trade name Micturin and should be restrained from further doing so.
- "28. Further, in Morgenstern, the Court also noted that it is common knowledge that mistakes or confusion occurring in filing handwritten prescriptions which are not legible. In arriving at this conclusion, the Court of Appeals in Morgenstern appropriately ruled that:

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"29. The ruling in Morgenstern should squarely be applied in the case at bar. The fact that the medicinal products of the parties are for identical indications highlights the stubborn fact that there exist a possibility of one medicinal product being dispensed for the other medicinal product, which could easily be remedied by requiring clearly dissimilar trademarks in the field of medicinal products. The reputation and goodwill of the Opposer should not be trifled with the talismanic invocation that there is only a remote possibility of confusion. The fact clearly remains that the goods of the parties belong to the same class, are identical, and are available through the same channels of trade.

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"30. The case of Glenwood Laboratories, Inc. v. American Home Prod. Corp., 455 F. 2d 1384 (C.C.P.A. 1972), aptly illustrates the danger of confusion as regards medicinal products bearing similar marks, ruling that,

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"31. This Honorable Office also has ruled in Inter Partes Case No. 14-2009-0005 concerning the opposition of the trademark 'Klarika' that:

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"32. Further, this Honorable Office has also aptly stated in Inter Partes Case No. 14-2009-000172 concerning the opposition of the trademark 'Solvit' that:

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"33. Of all the possible combinations of the letters of the alphabet and words, the Respondent-Applicant chose to use the mark ALLEGRA to identify the goods in International Class 5, which are in direct competition with the Opposer's goods, also in International Class 5. It cannot be gainsaid that confusion will arise inasmuch as the

goods are identical, and they cater to the same kind of purchasers. As pharmaceutical products for the treatment of identical illnesses, both will be found and displayed in hospitals, clinics, and pharmacies, probably side by side, making both products flow through the same channels of trade, thus making the Opposer and the Respondent-Applicant competitors in the same product industry. No conclusion can be drawn surrounding the case other than the fact that the Respondent-Applicant is knowingly and deliberately attempting to trade on the valuable goodwill and to ride on the notoriety of the Opposer's internationally well-known ALLEGRA mark that has been used throughout the world for several decades including the Philippines.

- "34. Clearly, the registration and use of the Respondent-Applicant mark's ALLERGO is a usurpation of the internationally well-known mark ALLEGRA, a mark legally owned by the Opposer, as well as the goodwill associated therewith and/or passing off its own products, as those manufactured by the Opposer.
- "35. By the Respondent-Applicant's attempt to register and use the mark ALLERGO for its goods in International Class 5, it is plain that the Respondent-Applicant seeks to take advantage of the worldwide and nationwide reputation of the internationally well-known mark ALLEGRA that the Opposer has gained by ingenious and persistent marketing and the expenditure of considerable sums of money to promote the same, by confusing and misleading the trade and the Filipino public in passing off its products as those of the Opposer and/or suggesting that they are being sold or are approved by the Opposer.
- "36. The Respondent-Applicant seeks to register the mark ALLERGO which is confusingly similar to the Opposer's internationally well-known ALLEGRA mark, as to be likely, when applied to the goods of Respondent-Applicant, to cause confusion, mistake or deception to the Filipino public as to the source of goods, and will inevitably falsely suggest a trade connection between the Opposer and the Respondent-Applicant, is simply violative of the Intellectual Property Code of the Philippines.
- "37. The Supreme Court discussed these two types of trademark confusion in Mighty Corporation, et. al. vs. E. & J. Gallo Winery, et. al., G.R. No. 154342, July 14, 2004, 434 SCRA 473, 504, thus:

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"38. In the case of Societe Des Produits Nestle, S.A. vs. Dy, Jr., the Supreme Court held that:

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- "39. Moreover, in the case of McDonald's Corporation vs. L.C. Big Mak Burger, Inc., et. al., the Supreme Court had occasion to rule that, 'while proof of actual confusion is the best evidence of infringement, its absence is inconsequential'.
- "40. Thus, the denial of the registration of Trademark Application No. 4-2014-007035 for the mark ALLERGO by this Honorable Office is authorized and warranted under the provisions of the Intellectual Property Code of the Philippines.

The Opposer's evidence consists of the Special Power of Attorney executed by the Opposer in favor of Cesar C. Cruz and Partners Law Offices and the Affidavit executed by Martin J. Travers, authorized signatory of Opposer, Aventisub LLC.<sup>4</sup>

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 11 March 2015. The Respondent-Applicant filed their Answer on 16 June 2015 and avers the following:

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## "Special and Affirmative Defenses

"11. The trademark 'ALLERGO' is not identical to, nor does so resemble, the trademark 'ALLEGRA' so as to cause confusion, mistake or deception on the part of the purchasing public as these marks are clearly different in spelling and have distinctive pronunciations, fonts, nor do they nearly resemble or are confusingly similar to each other as to be likely to deceive or cause confusion.

"First, 'ALLEGRA' appears to use the Times New Roman font while 'ALLERGO' uses Arial font. These distinguish the two marks showing a big dissimilarity in appearance.

"Second, aurally, 'ALLERGO' is likewise neither identical nor similar to 'ALLEGRA'. 'ALLERGO' [a-ler-go], is pronounced very differently from 'ALLEGRA' [al-ye-gra], which has Italian/Mexican origins.

"Third, even the rule on idem sonans finds no application to 'ALLERGO' and 'ALLERGRA' due to their great difference in pronunciation as discussed above. Two names are said to be 'idem sonantes' if the attentive ear finds difficulty in distinguishing them when pronounced, or if common and long-continued usage has by corruption or abbreviation made them identical in pronunciation. In this case, there is no such identity nor similarity that may justify treating 'ALLERGO' as legally identical to 'ALLEGRA'.

"Lastly, in overall impression, these two marks are clearly different and they do not nearly resemble or are confusingly similar to each other as to be likely to deceive or cause confusion.

- "12. Importantly, there is no indication at all that the use of the mark 'ALLERGO' would likely cause confusion or mistake in the mind of or deceive the ordinary purchaser, or one who is accustomed to buy, and therefore to some extent familiar with, the mark 'ALLEGRA'.
- "13. In the same vein, there is no showing that 'ALLERGO' will deceive any purchaser or anyone for that matter nor otherwise cause confusion.
- "14. The test of similarity is to consider the two marks in their entirety, as they appear in their respective labels, in relation to the goods to which they are attached (Bristol Myers Company v. Director of Patents, et al., 17 SCRA 128, citing

<sup>&</sup>lt;sup>4</sup>Marked as Annexes "A" and "B", inclusive.

Mead Johnson & Co. v. NVJ Van Dorp, Ltd., et al., 7 SCRA 768). The mark must be considered as a whole and not as dissected. If the buyer is deceived, it is attributable to the marks as a totality, not usually to any part of it (Del Monte Corp. v. CA, 181 SCRA 410). In this case, however, Opposer has not presented any packaging for 'ALLEGRA' in the Philippines which Opposer can use as basis for its charge of confusion.,

- "15. Furthermore, Republic Act No. 5921, also known as an Act Regulating the Practice of Pharmacy also requires that 'No medicine, pharmaceutical, or drug of whatever nature and kind or device shall be compounded, dispensed, sold or resold, or otherwise be made available to the consuming public except through a prescription drugstore or hospital pharmacy, duly established in accordance with the provisions of this Act' and that 'Every pharmacy, drugstore or hospital pharmacy whether owned by the government or a private person or firm shall at all times when open for business be under the personal and immediate supervision of a registered pharmacist. These pharmacists tasked to dispense medicine further insure against possible confusion that Opposer claim to be guarding against.
- "16. The mark 'ALLERGO' being distinct from or dissimilar to 'ALLEGRA', the same cannot give rise to a cause of action in favor of Opposer much less to exclude Respondent-Applicant from the use of a separate and distinct mark 'ALLERGO'. Accordingly, Opposer cannot claim any damage by reason of Respondent-Applicant's continued use of the mark 'ALLERGO'.
- "17. Respondent-Applicant's use of the mark 'ALLERGO' in commerce is shown by the Food and Drug Administration of Certificates of Product Registration in its favor, copies of which are attached as Exhibits 1 & 3.

The Respondent-Applicant's evidence consists of a pertinent page in Trademark Application No. 04-2014-007035; a copy of Certificate of Product Registration issued by the FDA for the brand name "ALLERGO"; and a copy of Certificate of Product Registration issued by BFAD for the brand name "ALLERGO".

On 04 May 2016, the Preliminary Conference was terminated and the parties were directed to file their respective position papers. Thereafter, the case was deemed submitted for resolution.

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

The Opposer anchors its opposition on Sections 123.1, paragraphs (d) and (f) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), to wit:

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

- (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:"
- (f) Is identical with, or confusingly similar to, or constitutes a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or service which are not similar to those with respect to which registration is applied for: Provided, That use of the mark in relation to those goods or services would indicate a connection between those goods or services, and the owner of the registered mark: Provided further, That the interests of the owner of the registered mark are likely to be damaged by such use;

Records show that the Opposer filed a trademark application for ALLEGRA on 16 January 2012 and matured into a registration on 06 November 2014. The registration covers "antihistamine, decongestant pharmaceutical preparations not for ophthalmic use" under Class 05. This Bureau noticed that the goods indicated in the Respondent-Applicant's trademark application filed on 04 June 2014, i.e. pharmaceutical preparations namely anti-histamine under Class 05, are similar or closely-related to the Opposer's.

Hence, the question, does ALLERGO resemble ALLEGRA such that confusion or deception is likely to occur? A comparison of the competing marks reproduced below:

# **ALLEGRA**

**ALLERGO** 

Opposer's trademark

Respondent-Applicant's mark

shows that confusion is likely to occur. This Bureau noticed that the pharmaceutical products covered by the marks are both antihistamine pharmaceutical or medicinal preparations. Both marks have the same number of syllables: /AL/LEG/RA for Opposer's and /AL/LER/GO for Respondent-Applicant's. ALLERGO appears and sounds almost the same as Opposer's trademark ALLEGRA. Both ALLERGO and ALLEGRA marks have seven (7) letters. The six (6) letters of both marks are the same. Respondent-Applicant merely interchanged the 5th and 6th letters and replaced the last letter with the letter "O" in Opposer's ALLEGRA to come up with the mark ALLERGO. 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"<sup>5</sup>, "SAPOLIN" and LUSOLIN"<sup>6</sup>, "CELDURA" and "CORDURA"<sup>7</sup>, "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.<sup>8</sup>

It is emphasized that 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. This Bureau finds that the mark applied for registration by the Respondent-Applicant does not meet this function.

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. 4-2014-007035 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.

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Taguig City, **12 OCT** 2016

Atty. JOSEPHINE C. ALON
Adjudication Officer, Bureau of Legal Affairs

<sup>6</sup> Sapolin Co. v. Balmaceda and Germann & Co,m 67 Phil, 705.

MacDonalds Corp, et. al v. L. C. Big Mak Burger, G.R. No. L-14399, 18 August 2004.

<sup>&</sup>lt;sup>7</sup> 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.)

<sup>8</sup> Marvex Commerical Co., Inc. v. Petra Hawpia & Co., et. al., G.R. No. L-19297,22 Dec. 1966.

<sup>&</sup>lt;sup>9</sup> Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 November 1999, citing Ethepa v. Director of Patents, supra, Gabriel v. Perez, 55 SCRA 406 (1974). See also Article 15, par. (1), Art. 16, par. (1), of the Trade Related Aspects of Intellectual Property (TRIPS Agreement).