

**GALDERMA S.A.,**  
Opposer,

**-versus-**

**EON PHARMATEK,**  
Respondent- Applicant.

X-----X

} **IPC No. 14-2011-00232**  
} Opposition to:  
} Appln. Serial No. 4-2010-012762  
} Date Filed: 25 November 2010  
} **TM: "CLOB-G (STYLIZED)"**

### NOTICE OF DECISION

**VIRGILAW**

Counsel for the Opposer  
Virgilio M. Del Rosario & Partners  
The Peak, Unit 602, 107 L.P. Leviste Street  
Salcedo Village, Makati City

**EON PHARMATEK**

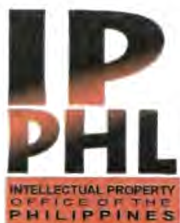
Respondent- Applicant  
Unit 703, AIC-Burgundy Empire Tower  
ADB Avenue corner Garnet and Sapphire Road  
Ortigas Center, Pasig City

**GREETINGS:**

Please be informed that Decision No. 2016 - 404 dated November 07, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, November 07, 2016.

  
**MARILYN F. RETUAL**  
IPRS IV  
Bureau of Legal Affairs



GALDERMA S.A.,

Opposer,

-versus-

EON PHARMATEK, INC.

Respondent-Applicant.

IPC No. 14-2011-00232

Opposition to:

Application No. 4-2010-012762

Date Filed: 25 November 2010

Trademark: "CLOB-G (STYLIZED)"

Decision No. 2016- 404

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### DECISION

GALDERAMA S.A.<sup>1</sup> ("Opposer") filed an opposition to Trademark Application Serial No. 4-2010-012762. The application, filed by EON Pharmatek, Inc.<sup>2</sup> ("Respondent-Applicant"), covers the mark "CLOB-G (STYLIZED)" for use as "pharmaceuticals, namely, anti-inflammatory/antipruritic/antibacterial cream" under Class 05 of the International Classification of Goods and Services.<sup>3</sup>

The Opposer alleges:

x x x

"The grounds for the opposition are as follows:

"1. The Respondent-Applicant's mark 'CLOB-G (STYLIZED)' is confusingly similar with the Opposer's mark 'CLOBEX' and the Clobex family of marks, i.e. 'CLOBEXPRO', 'CLOB-X' and 'CLOBEXONAL', since it is very likely to cause confusion, mistake and deception on the part of the purchasing public when applied to or used in connection with the goods of Respondent-Applicant.

"2. The Opposer has an earlier filing date and a prior valid and still existing trademark registration for the 'CLOBEX' mark for goods under Class 05. Hence, Opposer should be protected against any subsequent attempt to register a confusingly similar or identical mark on the basis of Section 123.1 (d) of R.A. 8293, which states to wit:

x x x

"3. Opposer's 'CLOBEX' mark and Clobex family of marks, i.e. 'CLOBEXPRO', 'CLOB-X' and 'CLOBEXONAL', are well-known trademarks protected under Section 123.1 (e) & (f) of the Intellectual Property Code and Article 6bis of the Paris Convention which the Philippines and Switzerland adhere, which state as follows:

x x x

<sup>1</sup>A foreign corporation duly organized and existing under the laws of Switzerland with principal place of business at Zugerstrasse 8, 6330 Cham, Switzerland.

<sup>2</sup>A domestic corporation with office address at Unit 703, AIC Burgundy Empire Tower, ADB Avenue, Ortigas Center, Pasig City.

<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 the International Classification of Goods and Services for the Purposes of the Registration of Marks concluded in 1957.

"4. The adoption by the Respondent-Applicant of the 'CLOB'-G' mark for goods under class 05 is designed to ride on the goodwill of Opposer's mark, to diminish the distinctiveness and dilute the goodwill established by the well-known 'CLOBEX' mark and Clobex family of marks, i.e. 'CLOBEXPRO', 'CLOB-X' and 'CLOBEXONAL', for goods under class 05 and to compete unfairly with the Opposer.

"5. The registration of Respondent-Applicant's trademark is contrary to the other provisions of the Intellectual Property Code of the Philippines. Public order and safety dictate that Applicant's 'CLOB-G' trademark should not be registered due to its confusing similarity with Opposer's 'CLOBEX' mark and Clobex family of marks, i.e., 'CLOBEXPRO', 'CLOB-X' and 'CLOBEXONAL', which will likely result to prescription, dispensing and medication errors. Hence, the registration of the Applicant's mark should not be allowed under the provision of Sec. 123.1(m) of the Intellectual Property Code, to wit:

x x x

"The Opposer will rely on the following facts in support of the Opposition:

"1. Opposer is the prior applicant of the mark 'CLOBEX' in the Philippines having filed its trademark application on July 1, 2004 or more than six (6) years before the Applicant filed its application for the mark 'CLOB-G' on November 25, 2010;

"2. Opposer has a prior and valid and existing trademark registration in the Philippines for the mark 'CLOBEX' which was granted on November 28, 2005 or more than five (5) years before Applicant filed its application for the mark 'CLOB-G' on November 25, 2010 to wit:

Trademark:	CLOBEX
Certificate of Reg. No.:	4-2004-005818
Date Issued;	November 28, 2005
Application No.:	4-2004-005818
Date Filed:	July 1, 2004
Goods:	Class05: 'Dermatological, pharmaceutical and sanitary preparations for the skin and scalp, medicated preparations for the skin, medicated preparations for the scalp'

"3. Opposer is the creator and originator of the arbitrary and coined trademark 'CLOBEX' which was creatively formed from its base ingredient, Clobetasol.

"3.1 Galderama S.A. is one of the world's leading dermatology company and which was founded in 1981 as a joint venture between Nestle and L'Oreal. Galderama S.A. has three (3) R&D centers, three (3) manufacturing sites and thirty one (31) affiliates in the major countries of the world, notable of which is the Galderama Laboratories Inc. in the United States (U.S.A.). More than 3,000 people work for Galderama S.A. throughout the world.

"3.2 In 2009, Galderama S.A. reported sales of EUR 978 Million and have eleven major products distributed in over 70 countries.

"6. Opposer's 'CLOBEX' mark and Clobex family of marks, i.e. 'CLOBEXPRO', 'CLOB-X' and 'CLOBEXONAL', are well-known internationally and in the Philippines and Respondent-Applicant has appropriated the closely similar or identical 'CLOB-G' trademark for the obvious purpose of capitalizing upon the goodwill

established by Opposer's well-known trademark and to make the public into believing that its identical goods originate from, or are licensed or sponsored by Opposer to the damage of Opposer's interests.

"7. As a leading pharmaceutical company with a worldwide reach and business presence, Opposer's trademarks 'CLOBEX' and Clobex family of marks, i.e., 'CLOBEXPRO', 'CLOB-X' and 'CLOBEXONAL', are well-known in the pharmaceutical industry. Thus, Respondent-Applicant as a pharmaceutical company is well-aware of the Opposer's company, which is a leading player in the local pharmaceutical industry, and the trademarks it carries.

"8. Opposer is the prior user and adopter of the arbitrary and coined 'CLOBEX' and Clobex family of marks, i.e., 'CLOBEXPRO', 'CLOB-X' and 'CLOBEXONAL', in the Philippines and in the world, having been commercially using the mark internationally through their worldwide marketing and sales network more than fifteen (15) years before the appropriation and the filing of the application for the registration of the Applicant's mark 'CLOB-G' in November 25, 2010.

"9. Opposer is the prior registrant of the 'CLOBEX' mark and Clobex family of marks, i.e., 'CLOBEXPRO', 'CLOB-X' and 'CLOBEXONAL', around the world, including the Philippines. Opposer have registered or applied for the registration of the subject trademark for goods in Class 05 in several countries including but not limited to Albania, Algeria, Argentina, Belarus, Benelux, Bolivia, Bosnia-Herzegovina, Brazil, Bulgaria, Canada, Chile, China, Costa Rica, Croatia, Cyprus, Czech Republic, Denmark, Dominican Republic, Ecuador, Egypt, El Salvador, Estonia, Finland, France, Georgia, Germany, Greece, Guatemala, Haiti, Hong Kong, Hungary, Iceland, India, Indonesia, Ireland, Israel, Italy, Jamaica, Japan, Jordan, Korea(South), Kuwait, Latvia, Lebanon, Liechtenstein, Lithuania, Malaysia, Mexico, Monaco, Morocco, New Zealand, Nicaragua, Norway, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Romania, Russian Federation, Saudi Arabia, Serbia, Singapore, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Trinidad & Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States of America, Uruguay, Venezuela, Vietnam, and World Intellectual Property Org. (WIPO);

"10. The total sales of 'CLOBEX' mark and Clobex family of marks, i.e., 'CLOBEXPRO', 'CLOB-X' and 'CLOBEXONAL', from 2000 to 2010 in major countries, i.e. Argentina, Belgium & Luxembourg, Brazil, Canada, Carribean, Central America, Chile & Bolivia, Colombia, Czech Republic, Denmark, Dom Tom, Ecuador, Finland, France, Germany, Greece, Hong Kong & Macau, Hungary, Italy, Korea, Lebanon, Malaysia, Mexico, Netherlands, New Zealand, Norway, Peru, Philippines, Poland, Portugal, Singapore, Slovakia, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, UK & Ireland, Uruguay, USA and Venezuela, amounted to US\$ 521,391,629;

"11. Opposer has invested in the promotion and marketing of the 'CLOBEX' and Clobex family of marks, i.e., 'CLOBEXPRO', 'CLOB-X' and 'CLOBEXONAL' in the Philippines and in the world.

"11.1 Opposer has actively promoted and advertised the mark 'CLOBEX' mark and 'Clobex family of marks, i.e., 'CLOBEXPRO', 'CLOB-X' and 'CLOBEXONAL' through its various packaging and promotional materials used worldwide.

"12. Respondent's mark 'CLOB-G' is confusingly similar with Opposer's 'CLOBEX' mark not only as to the goods but also to the mark. Public safety dictates that Respondent-Applicant's mark should not be registered because the presence of Respondent-Applicant's confusing mark in the market will result to prescription, dispensing and medication error.

"13. The goods on which the mark are used are similar, if not identical, and related because of the following reasons:

"13.1 Both marks cover similar and related goods under International Class 5;

"13.2 The goods of 'CLOB-G' is broad that it overlaps the anti-inflammatory, anti-pruritic, and anti-bacterial indication of 'CLOBEX';

"13.3 The goods of 'CLOBEX' is also available in cream dosage form which is the same with the cream dosage form of 'CLOB-G';

"14. The marks "CLOBEX' and 'CLOB-G' are substantially identical or closely similar, a side by side comparison of the marks will reveal that the marks not only look-alike but also sound-alike:


"14.1 Applicant's mark 'CLOB-G' has appropriated the dominant element 'Clob' of Opposer's 'CLOBEX' mark and the Clobex family of marks, i.e., 'CLOBEXPRO', 'CLOB-X' and 'CLOBEXONAL';

"14.2 Both marks have the same first four (4) letters the dominant 'CLOB' element. Moreover, the hyphenated letter '-G' after the dominant 'Clob' gives the impression that it is part and associated with Galderama's Clobex family of mark. Clearly the marks are confusingly similar.

"15. It is settled jurisprudence that identity or similarity in the dominant features of two (2) competing marks will cause mistake or confusion. In the case of McDonald's Corporation, et. al. vs. L.C. BigMak Burger, et al (G.R. No. 143993, August 18, 2004) the Supreme Court likewise applied the test of dominance in determining that the mark 'Big Mak' of McDonald's Corporation and the mark 'Big Mak' of L.C. Big Mak Burger are confusingly similar, to wit:

x x x

"16. Applying the test of Dominancy in the instant case, the dominant feature in the Opposer's mark is 'CLOB' which is appropriated in Respondent's mark 'CLOB-G'. The difference in the last letters 'EX' of Opposer's mark and the last letter 'G' of Respondent's mark is inconsequential.. The minor difference does not sufficiently distinguish the two (2) competing marks from each other as they are similar in sound, appearance and commercial impression. In fact the hyphenated '-G' makes the Respondent's mark to appear that it is associated or part of the Opposer's Clobex family of marks, thus, compounding the likelihood of confusion between the competing marks. Moreover, the purchasing public or pharmacist will easily recognize and remember the dominant element 'CLOB'. Hence, dispensation error or mistake is likely between the Opposer's product bearing the mark 'CLOBEX' and Respondent's product bearing the mark 'CLOB-G'.



"17. Moreover, a handwritten prescription of 'CLOB-G' can appear and be read as 'CLOBEX', or vice versa. As the first four letters, of 'CLOBEX' and 'CLOB-G' are the same, the confusion between the marks can be compounded when handwritten in cursive. There is a potential risk for medication error considering the practice of medical professionals in prescribing medicines through handwritten prescription.

"18. The competing marks sound alike when communicated orally. Both marks sound alike when pronounced because of their identical and similar sounding first four (4) letters. The similarity of sound becomes more obvious when the entire mark is orally communicated pronounced in thick regional accent which is common in the Philippines.

"19. There is no doubt both marks are confusingly similar as to the mark and as to the goods. The confusing similarity of the marks is a potential risk for prescription, dispensing and medication errors. The marks at a first glance appear to be the same more so, when spelled and handwritten. The marks also sound alike that when read and orally communicated and can be confused as the other one. Such mistake and confusion are compounded by the fact that the goods on which both marks are used are similar and related. This potential risk for prescription, dispensing and medication errors can undermine the patient's and public safety.

"20. The potential risk for prescription, dispensing and medication errors is real than imagined. The Supreme Court has ruled in numerous cases. Although in these cases, the Supreme Court did not tackle trademarks issues, it however illustrated the loss and damage caused by dispensation errors made by pharmacists and druggists. Illustrative are:

"20.1 In Mercury Drug Corporation v. Baking, (G.R. No. 156037, May 25, 2007) Sebastian Baking went to Mercury Drug and presented his prescription for Diamicon, which the pharmacist misread as Dormicum, a potent sleeping tablet. Instead of Diamicon, to stabilize his blood sugar, he was given Dormicum. On the third day of taking Dormicum, he fell asleep while driving and figured in a vehicular accident.

"20.2 In Mercury Drug Corporation v. De Leon (G.R. No. 165622, October 17, 2008) De Leon was prescribed the drug 'Cortisporin Ophthalmic' to relieve his eye problems and went to Mercury Drug to buy the prescribed medicine. Instead of relieving his irritation, De Leon felt searing pain. Only then did he discover that he was given the wrong medicine, 'Cortisporin Otic Solution.', which is ear drops, instead of the prescribed eye drops.

"21. The registration of Respondent's 'CLOB-G' mark will not only dilute the goodwill and distinctiveness of Galderama's 'CLOBEX' mark but will lead to potential risk of prescription, dispensing and medication errors.

"22. Attached are Opposer's evidence consisting of the duly notarized and legalized affidavit of its witness, its supporting documents and other evidentiary materials. Opposer reserves its right to submit additional evidence when necessary.

The Opposer's evidence consists of a copy of the notarized and legalized verification and certification of non-forum shopping; a copy of the notarized and legalized special power of attorney; a copy of the notarized and legalized board resolution; a copy of the notarized and legalized affidavit-testimony of Julie Bernard; a copy of the notarized and legalized invoice of commercial sales of "Clobex" in the Philippines; notarized and legalized picture of "Clobex" packaging; a list of "Clobex" registration by country; a notarized and legalized copy of the Portugal trademark registration no. 349283; notarized and legalized copy of the Peru trademark registration no. 00111033; notarized and legalized copy of the Colombia trademark registration no. 236433; notarized and legalized copy of the Egypt trademark registration no. 154351; notarized and legalized copy of the Ireland trademark registration no. 208530; notarized and legalized copy of the Australia trademark registration no. 761395; notarized and legalized copy of the Tunisia trademark registration no. EE021341; notarized and legalized copy of the Brazil trademark registration no. 824752813; notarized and legalized copy of the WIPO trademark registration no. 703549; notarized and legalized copy of the Turkey trademark registration no. 197507; a summary of sale of "Clobex" from 2000 to 2010 in different countries; extract of [www.clobex.com](http://www.clobex.com) webpage and the registration of the domain name in [domains.whois.com](http://domains.whois.com); notarized and legalized promotional and advertising materials for "Clobex" in Brazil; and print-out of "Clobex" trademark from IPO Website.<sup>4</sup>

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 18 July 2011. Said Respondent-Applicant, however, did not file an Answer.

Should the Respondent-Applicant be allowed to register the trademark CLOB-G (STYLIZED)?

Records show that at the time the Respondent-Applicant filed its trademark application for the mark "CLOB-G (STYLIZED)", the Opposer already owns trademark registration for the mark "CLOBEX" under Trademark Registration No. 42004005818 issued on 28 November 2005. The registration covers "dermatological pharmaceutical and sanitary preparations for the skin and scalp; medicated preparations for the skin, medicated preparations for the scalp" under Class 05. On the other hand, the Respondent-Applicant filed the contested trademark application on 25 November 2010.

The Opposer anchors its opposition on the following provisions of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"):

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

<sup>4</sup>Marked as Exhibits "A" to "Y", inclusive.

- (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;"
- (e) Is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: *Provided*, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;
- (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;
- x x x
- (m) Is contrary to public order or morality
- x x x

It must be emphasized, however, that the protection to a trademark under the afore-quoted provisions hinges on a factual finding of the existence of confusing similarity between the trademark sought to be protected, and the other mark.

Hence, the question, does CLOB-G (STYLIZED) resemble CLOBEX such that confusion or deception is likely to occur? The marks are shown below:

**CLOBEX**

Opposer's trademark

**CLOB-G**

Respondent-Applicant's mark

This Bureau finds that while the pharmaceutical products indicated in Respondent-Applicant's trademark application are not similar to those covered by the



Opposer's registration, confusion is still likely to occur in this instance because of the close resemblance between the marks and that the goods are for human consumption. Section 123.1 (d) of the IP Code provides:

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

x xx

- (g) 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;" (Underscoring supplied)

Both marks have the same syllabication and same prefix CLOB. The last syllable EX may not be confusingly similar to the last syllable of Respondent-Applicant's mark G with a hyphen, however, confusion is likely in this instance because of the close resemblance between Respondent's CLOB-G (STYLIZED) and Opposer's family of CLOB marks which used the combination of CLOB and adding one syllable, i.e., CLOBEX and CLOB-X. Hence, a mistake in the dispensation of drugs is possible. Likewise, 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

<sup>5</sup> *MacDonalds Corp. et. al v. L. C. Big Mak Burger*. G.R. No. L-143993, 18 August 2004.

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

<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.

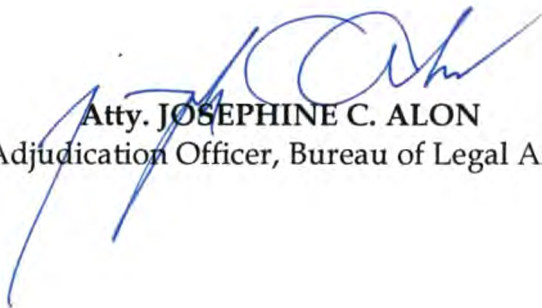
his industry and skill; to assure the public that they are procuring the genuine article; to prevent fraud and imposition; and to protect the manufacturer against substitution and sale of an inferior and different article as his product.<sup>9</sup> This Bureau finds that the mark applied for registration 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. 4-2010-012762 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.

Taguig City, 07 NOV 2016.

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

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<sup>9</sup> *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 November 1999, citing *Ethepe 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).