

NOVARTIS AG,
Opposer,

-versus-

LABORATORIO REIG JOFRE, S.A.,
Respondent- Applicant.

}
} **IPC No. 14-2014-00521**
} Opposition to:
} Application No. 4-2014-006760
} Date Filed: 28 May 2014
} Trademark: "BIZAMOX"

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NOTICE OF DECISION

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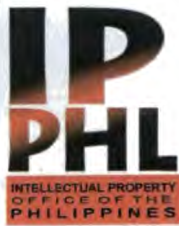
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GREETINGS:

Please be informed that Decision No. 2016 - 364 dated October 12, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, October 12, 2016.

MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs



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 LABORATORIO REIG JOFRE, S.A., }
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IPC No. 14-2014-00521

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 Application No. 4-2014-006760
 Date Filed: 28 May 2014
 Trademark: "BIZAMOX"

Decision No. 2016- 364

DECISION

NOVARTIS AG¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2014-006760. The application, filed by Laboratorio Reig Jofre, S.A.² ("Respondent-Applicant"), covers the mark "BIZAMOX" for use on "*pharmaceutical and veterinary preparations; sanitary preparations for medical purposes; dietary substances for medical purposes; food for babies; plasters; materials for dressings; materials for stopping teeth, dental wax, disinfectants; preparations for destroying vermin*" under Class 05 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x

"III. LEGAL GROUNDS FOR THE OPPOSITION

"12. The registration of the BIZAMOX mark in favor of Respondent-Applicant violates Section 123.1 (d), (e), and (g) of Republic Act 8293, otherwise known as the Intellectual Property Code of the Philippines ('IP Code'), as amended, to wit:
 x x x

"13. Further, in Sec. 134 of the IP Code: x x x

"14. As registrant, Opposer is the owner of the VIGAMOX mark. Hence, it has in its favor, the rights conferred by Sec. 147 of the IP Code. x x x

"15. Even as Opposer is a foreign national, it is entitled to the benefits granted under Section 3 of the IP Code, which provides: x x x

"16. The Philippines and Switzerland are parties to the Paris Convention for the Protection of Industrial Property and the WTO TRIPS Agreement. The Convention provides: x x x

¹A foreign corporation duly organized and existing under and by virtue of the laws of Switzerland with business address at 4002 Basel, Switzerland.
²With address at Gran Capita 10, 08970 Sant Joan Despi (Barcelona), Spain.
³The 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.

"17. Concomitantly, Opposer's VIGAMOX mark, in addition to being registered in the Philippines, is also a well-known and world-renowned mark, such that, the registration of Respondent-Applicant's BIZAMOX mark will constitute a violation of Articles 6bis and 10bis of the Paris Convention in conjunction with Sections 3, 123.1 (d), (e), (g), and 147 of the IP Code.

"18. As registrant and owner of the mark, Opposer is therefore entitled to protection against damage in the form of confusion of reputation and/or goodwill in the mind of the public, as well as confusion of goods. The exclusive right to use the mark necessitates the exercise of the right to prevent the unauthorized use by third parties, of a confusingly similar mark.

"IV. DISCUSSION

"19. In determining similarity and likelihood of confusion, jurisprudence has developed two tests --- the Dominancy Test and the Holistic Test.

"20. The Dominancy Test focuses on the similarity of the prevalent, or dominant features of the competing trademarks that might cause confusion, mistake, and deception in the mind of the purchasing public. Duplication or imitation is not necessary; neither is it required that the mark sought to be registered suggests an effort to imitate.

"21. In contrast, the Holistic Test or Totality Test requires a consideration of the entirety of the marks as applied to the products, including the labels and packaging, in determining confusing similarity. The discerning eye of the observer must focus not only on the predominant words, but also on the other features appearing on both labels, so that the observer may draw conclusion on whether one is confusingly similar with the other.

"22. Between the two tests, Supreme Court decisions have favored the use of the Dominancy Test. In fact, the Supreme Court pronounced in the case of Societe Des Produits Nestle that the Dominancy Test is not explicitly incorporated into law, under Section 155 of the IP Code, which states: x x x

"23. The above provisions, including the insertion of the phrase, 'or a dominant feature thereof,' was the result of careful deliberation by members of the Committee on Economic Affairs. Quoted below is an excerpt from the speech of Representative Albertito Lopez, clearly stating the intent of Congress to adopt the Dominancy Test: x x x

"24. In the case of American Wire & Cable Company vs. Director of Patents and Central Banahaw Industries, the Court declared and explained the rule on likelihood of confusion in relation to the application of the Dominancy Test, to wit:

x x x

"25. Given the above pronouncements of the Court in the American Wire & Cable Company case, it eventually ruled that the marks 'DURAFLEX' and 'DYNAFLEX' are confusingly similar. x x x

"26. The same case referred to the earlier case of Marvex Commercial Co. and The Director of Patents, where the Court held that 'SALONPAS' and 'LIONPAS' are confusingly similar. x x x

"27. Evidently, the Court has consistently upheld the application of the Dominancy Test in determining confusing similarity. The Court has taken into account the aural effects of the words and letters contained in the marks in determining the issue of confusing similarity. In the above-quoted Marvex case, it stated, thus: x x x

"28. Adopting the same approach in the case at bar, it cannot be gainsaid that Respondent-Applicant's BIZAMOX mark is confusingly similar to Opposer's VIGAMOX mark. In most, if not in all of the cases cited above, a common, dominant feature exists, namely: 'FLEX' in 'DURAFLEX' and 'DYNAFLEX'; 'PAS' in 'SALONPAS' and 'LIONPAS'; 'GOLD' in 'GOLD DUST' and 'GOLD DROP'; 'CHAR' in 'CHARTREUSE' and 'CHARSEURS'; 'CUT' in 'CUTEX' and 'CUTICLEAN'; 'TEX' in 'KOTEX' and 'FEMETEX'; 'STEIN' in 'STEINWAY' and 'STEINBERG'; 'DURA' in 'CELDURA' and 'CORDURA'; 'LIN' in 'LUSOLIN' and 'SAPOLIN'.

"29. In this case, the dominant feature of Opposer's mark is the term VIGAMOX itself, and Opposer maintains that its appearance, spelling, and the manner by which it is pronounced is identical to Respondent-applicant's BIZAMOX mark.

"30. Notwithstanding the difference in the first letters and the third letters, the fact that all other 'literal elements' of the marks are identical makes them, inarguably, confusingly similar with each other.

"31. Additionally, the marks belong to the same goods category — i.e. pharmaceutical products; thus, Respondent-applicant's products, using the trademark BIZAMOX, will likely cause confusion among the relevant consuming public, inasmuch as products bearing Opposer's VIGAMOX trademark already exist in the market.

"32. The use by Respondent-applicant of the BIZAMOX mark, for the same goods covered by the registration of Opposer's VIGAMOX mark, will not only mislead and/or cause confusion or mistake among the purchasing public, but it will also diminish and dilute the distinctiveness and identity of Opposer's mark, which has been firmly entrenched in the local market by Opposer at great effort and expense.

"33. The goodwill that should inure to Opposer's benefit will be seriously impaired and prejudiced by the registration of Respondent-applicant's BIZAMOX mark. The registration and use of the VIGAMOX mark will enable Respondent-applicant to obtain benefit from Opposer's well-established business name, reputation, and advertising efforts, and will ultimately tend to deceive and confuse the public into believing that Respondent-applicant's goods and/or products are, in one way or the other, related to Opposer's.

"34. It is worthy to note, at this point, that a trademark is defined under Sec. 121.1 of the IP Code as 'any visible sign capable of distinguishing the goods (trademark) or services (service marks) of an enterprise.' Further, as defined by the Court in the case of Philip Morris, Inc. vs. Fortune Tobacco Corporation, 'a trademark is any distinctive word, name, symbol, emblem, sign, or device, or any combination thereof, adopted and used by a manufacturer or merchant on his goods to identify and distinguish them from those manufactured, sold, or dealt by others.'

"35. The essence of trademark registration is to give protection to the owners of the trademarks. The function of a trademark is to point out distinctly the origin or ownership of the goods to which it is applied; 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.

"36. The distinctiveness of a trademark determines its relative strength or weakness. The strength of a mark denotes its tendency to identify the goods sold under the mark as emanating from a particular source.

"37. In the same vein, the Supreme Court expressly recognized the doctrine of trademark dilution. In *Levi Strauss & Co. vs. Clinton Apparelle, Inc.*, it explained that:

x x x

"38. To allow Respondent-applicant to continue to use its BIZAMOX mark, on products similar to Opposer's products, undermines the latter's right to its VIGAMOX mark. As the lawful owner, Opposer is entitled to prevent Respondent-applicant from using a confusingly similar mark in the course of trade, not only to thwart the possibility of confusion as to goods, but also to avoid any confusion of business, source, or origin of the goods.

"39. Applying the foregoing in the instant case, to allow the registration of Respondent-applicant's BIZAMOX mark will likely cause confusion or mistake in the mind of the public, and the purchasers may be led to believe that the pharmaceutical products of Respondent-applicant originate from, are being manufactured by, or are in some way associated with Opposer's products.

"40. All told, the registration of Respondent-applicant's BIZAMOX mark will violate Sections 123.1 (d), (e) and (g) of the IP Code. Further, Respondent-applicant's application must be denied as it will cause damage and irreparable injury to Opposer. It will cause confusing similarity among the relevant consuming public, loss of strength and distinctiveness of the mark, and dilution of Opposer's local and international VIGAMOX mark, and/or variations in case of product line and business expansion.

The Opposer's evidence consists of a copy of the IPO E-Gazette officially released on 03 November 2014; the Special Power of Attorney constituting BELLO VALDEZ CALUYA & FERNANDEZ or JGLaw as its agent/attorneys in this opposition case; a copy of the Request for Recordal of Merger between Novartis AG and Alcon, Inc.; a copy of Trademark Certificate of Registration No. 4-2003-007885 for the mark "VIGAMOX"; the details of "VIGAMOX"; the Affidavit of the authorized representatives of Novartis AG, Catherine D. Murray and Denise Vivar; and copies of Declarations of Actual Use for the trademark "VIGAMOX".⁴

⁴ Marked as Exhibits "A" to "G", inclusive.

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 16 February 2015. Said Respondent-Applicant, however, did not file an Answer.

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

Records show that at the time the Respondent-Applicant filed its trademark application on 28 May 2014, the Opposer has an existing trademark registration for the mark VIGAMOX under Trademark Reg. No. 4-2003-007885 issued on 24 September 2005. The registration covers "ophthalmic and otorhinolaryngological pharmaceutical preparations" under Class 05. On the other hand, Respondent-Applicant filed its trademark application for the mark BIZAMOX for use on "pharmaceutical and veterinary preparations; sanitary preparations for medical purposes; dietary substances for medical purposes; food for babies; plasters; materials for dressings; materials for stopping teeth, dental wax, disinfectants; preparations for destroying vermin" likewise in Class 05.

In this regard, the Opposer anchors its opposition on Sections. 123.1, paragraphs (d), (e) and (g), 134 and 147 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 x x

- (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;
- (g) Is likely to mislead the public, particularly as to the nature, quality, characteristics or geographical origin of the goods or services:

Sec. 134. *Opposition.* - Any person who believes that he would be damaged by the registration of a mark may, upon payment of the required fee and within thirty (30) days

after the publication referred to in Subsection 133.1, file with the Office an opposition to the application. Such opposition shall be in writing and verified by the oppositor or by any person on his behalf who knows the facts, and shall specify the grounds on which it is based and include a statement of the facts relied upon. Copies of certificates of registration of marks registered in other countries or other supporting documents mentioned in the opposition shall be filed therewith, together with the translation in English, if not in the English language. For good cause shown and upon payment of the required surcharge, the time for filing an opposition may be extended by the Director of Legal Affairs, who shall notify the applicant of such extension. The Regulations shall fix the maximum period of time within which to file the opposition.

Sec. 147. *Rights Conferred.* - 147.1. The owner of a registered mark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs or containers for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use, of an identical sign for identical goods or services, a likelihood of confusion shall be presumed.

147.2. The exclusive right of the owner of the well-known mark defined in Subsection 123.1 (e) which is registered in the Philippines, shall extend to goods and services which are not similar to those in respect of which the mark is registered: *Provided*, That use of that 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.

Hence, the question, does BIZAMOX resemble VIGAMOX such that confusion or deception is likely to occur? The marks are shown below:

VIGAMOX

BIZAMOX

Opposer's trademark

Respondent-Applicant's mark

This Bureau noticed that the products covered by the marks have different preparations. Designated as BIZAMOX, Respondent-Applicant's products are pharmaceutical and veterinary preparations; sanitary preparations for medical purposes; dietary substances for medical purposes; food for babies; plasters; materials for dressings; materials for stopping teeth, dental wax, disinfectants; preparations for destroying vermin. Opposer's products covered under VIGAMOX are ophthalmic and otorhinolaryngological pharmaceutical preparations. However, confusion is likely in this instance because of the close resemblance between the marks and that the goods are both medicines and pharmaceutical preparations or are for human consumption. Both marks have the same suffixes AMOX and the same number of syllables: /VI/GA/MOX for Opposer's and /BI/ZA/MOX for Respondent-Applicant's. 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"⁵, "SAPOLIN" and LUSOLIN"⁶, "CELDURA" and "CORDURA"⁷, "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.⁸

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.⁹ 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. 4-2014-006760 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, 12 OCT 2016.


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

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

⁶ *Sapolin Co. v. Balmaceda and Germann & Co.* 67 Phil, 705.

⁷ *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.)

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

⁹ *Pribhdas J. Mirpuri v. Court of Appeals*, G.R. No. 114508, 19 November 1999, citing *Ethepta 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).