

PFIZER PRODUCTS INC.,  
*Opposer,*

*-versus-*

Atty. AMBROSIO V. PADILLA III,  
*Respondent-Applicant.*

X-----X

IPC No. 14-2012-00347

Opposition to :

Appln. No. 4-2012-005710

Date Filed: 14 May 2012

TM : "DIFLUMAX"

**NOTICE OF DECISION**

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**GREETINGS:**

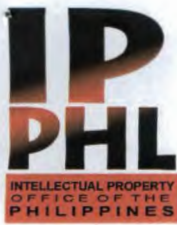
Please be informed that Decision No. 2016 - 351 dated October 07, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, October 07, 2016.

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

**Republic of the Philippines**  
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IPC No. 14-2012-00347

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Application No. 4-2012-005710  
Date Filed: 14 May 2012  
Trademark: "DIFLUMAX"

Decision No. 2016- 351

### DECISION

PFIZER PRODUCTS INC.<sup>1</sup> ("Opposer") filed an opposition to Trademark Application Serial No. 4-2012-005710. The application, filed by ATTY. AMBROSIO V. PADILLA III<sup>2</sup> ("Respondent-Applicant"), covers the mark "DIFLUMAX" for use on "pharmaceutical product namely: antifungal" under Class 05 of the International Classification of Goods and Services.<sup>3</sup>

The Opposer alleges:

x x x

"1. Opposer hereby respectfully invokes the authority of this Honorable Office to deny the application for registration of a mark sought by respondent. Opposer is the first user and owner of the well-known "DIFLUCAN" trademark. As held by the Supreme Court in Shangri-La International Hotel Management, Ltd., et al. v. Developers Group of Companies, Inc.: x x x

A cursory examination of the competing marks shows that DIFLUMAX, on the one hand, and DIFLUCAN, on the other, when read aloud, constitute idem sonans to a striking degree, which alone constitutes sufficient ground for the Honorable Office to rule that the two marks are confusingly similar. Furthermore, Respondent's DIFLUMAX mark is intended for use in connection with the same type of goods under class 5 as those covered by Opposer's DIFLUCAN mark, such as "pharmaceutical product[s] namely anti-fungal."

"3. Hence, this verified Notice of Opposition, which rests on the following grounds:

- (a) "Opposer is the prior user and first registrant of the DIFLUCAN trademark in the Philippines, well before the filing date of Respondent's DIFLUMAX trademark, which was only on 14 May 2012. Opposer's DIFLUCAN trademark application was filed as early as 3 January 1989 and registered with the then Bureau of Patents Trademarks and Technology Transfer on 9

<sup>1</sup>With principal address at Eastern Point Road Groton, Connecticut 06340, U.S.A.

<sup>2</sup>With address at Unit 1001, 88 Corporate Center, Sedenor cor. Valero Streets, Salcedo Village, Makati City, Metro Manila, Philippines.

<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.

February 1990 under class 5 for "pharmaceutical preparation[s] having antifungal properties" as evidenced by Certificate of Registration No. 047429. It was later renewed on 5 February 2010.

"Opposer's DIFLUCAN mark is used for an anti-fungal preparation with the generic name 'fluconazole,' which is used to treat infections caused by fungus that invade any part of the body including the mouth, throat, esophagus, lungs, bladder, genital area, and the blood. DIFLUCAN products are also used to prevent fungal infection in people with weak immune systems caused by cancer treatment bone marrow transplant, or diseases such as AIDS.

- (b) "Opposer enjoys the exclusive right to prevent all third parties not having its consent from using in the course of trade identical or similar signs for goods which are identical or similar to those in respect of which its trademarks are registered (i.e., anti-fungal preparations under class 5) where such use would result in a likelihood of confusion. In fact, there shall be a presumption that a likelihood of confusion will result if what is used is an identical sign for identical goods.
- (c) "The goods for which Respondent intends to use its DIFLUMAX mark are exactly the same, i.e., "pharmaceutical product[s] namely anti-fungal" under class 5, as the goods currently being sold by Opposer.
- (d) "Respondent's DIFLUMAX mark is identical and confusingly similar to Opposer's DIFLUCAN mark, and thus runs contrary to Section 123 of the Republic Act No. 8293, otherwise known as the Intellectual Property Code.

x x x

"Respondent's DIFLUMAX mark appropriates much of the elements of Opposer's DIFLUCAN trademark that would support a finding of confusing similarity, if not identity, between the competing marks in terms of spelling, pronunciation and appearance. The replacement of 'CAN' with 'MAX' to form DIFLUMAX cuts too closely to Opposer's DIFLUCAN trademark and may escape notice of patients and professionals.

"While the 'FLU' component in Opposer's 'DIFLUCAN' trademark may be said to be drawn from 'fluconazole,' the same cannot be said about the 'DI' component in Opposer's mark, which is coined, fanciful and completely original component in Opposer's mark. To date, there are no other marks registered in the Honorable Office's Register that starts with 'DIFLU' for goods under class 5.

"Assuming therefore, that Respondent's pharmaceutical product is likewise the antifungal preparation known as fluconazole, Respondent simply has no justifiable reason for using the 'DIFLU' prefix on his goods. It is obvious that Respondent has no other reason or motivation for using the 'DIFLU' prefix other than to rise on the fame, goodwill and reputation of Opposer's 'DIFLUCAN' mark. This, in the words of the Supreme Court in McDonald's Corporation v. Macjoy Fastfood Corporation and McDonalds Corp. v. LC Big Mak Burger, Inc., betrays an obvious intent to ride on the first user's established reputation and save on advertising costs that would otherwise be necessary to create market recognition, thus: x x x

- (e) "The competing marks, when read aloud, constitute idem sonans to a striking degree, which alone constitutes sufficient ground for the Honorable Office to rule that the marks are confusingly similar.

"The nature of the goods as prescriptive drugs is irrelevant. As held by the Honorable Office in Pfizer Inc. v. United American Pharmaceuticals, Inc., docketed as IPC No. 14-2008-00179, confusing similarity may still arise in the case of prescriptive drugs, citing the Supreme Court's ruling in Mercury Drug Corporation v. Baking that awarded damages to the plaintiff on account of the pharmacy's confusion in handling the prescriptions involving established drugs in the Philippines.

"Hence, the use of DIFLUMAX in connection with same goods under which Opposer's mark is registered will confuse consumers into believing that DIFLUMAX originates from Opposer, or is otherwise sponsored by or associated with Opposer's business.

- (f) "The Opposer has also used and registered the DIFLUCAN trademark in other countries, which thereby classifies DIFLUCAN as a registered and well-known trademark, both internationally and in the Philippines. As such, Opposer is entitled to a wider scope of protection under Philippine law and to protect its DIFUCAN mark against marks that are liable to create confusion in the minds of the public or used in bad faith under Article 6bis of the Paris Convention for the Protection of Industrial Property, thus: xxx
- (g) "If allowed to proceed to registration, the consequent use of the DIFLUMAX mark by Respondent will amount to unfair competition with and dilution of Opposer's DIFLUCAN mark, which has attained valuable goodwill and reputation through at least 22 years of extensive and exclusive use. This is prohibited under Section 168 of the IP Code.
- (h) "The registration of Respondent's mark will work to impede the natural expansion of Opposer's use of its DIFLUCAN mark in the Philippines.
- (i) "The registration and consequent use of the DIFLUMAX mark by Respondent will result in a confusion of source or reputation, which is proscribed under the IP Code and applicable precedents; and
- (j) Other provisions of the IP Code and related international agreements or conventions on the subject of intellectual property rights warrant the denial by this Honorable Office of Respondent's trademark application.

"4. Opposer and/or its respective subsidiaries, joint ventures, sister concerns, predecessors-in-title, licensees and assignees in several other countries have extensively promoted the DIFLUCAN mark worldwide. The mark has obtained significant exposure for the goods upon which it is used in various media, including television commercials, advertisements, internationally well-known print publications, and other promotional events.

"5. Opposer has not consented to Respondent's use and application for registration of the DIFLUMAX mark, or any other mark identical or similar to the DIFLUCAN mark.

"6. The goods for which Respondent seeks to use its DIFLUMAX mark are similar, identical or closely related to the goods that are produced by, originate from, or are under the sponsorship of Opposer. This will mislead the purchasing public into believing that Respondent's goods are produced by, originate from, or are under the sponsorship of Opposer, when in fact there is simply no connection between Respondent and Opposer. Potential damage to Opposer may result in light of its inability to control the quality of the products offered or put on the market by Respondent under the DIFLUMAX mark.

"7. At the very least, the use by the Respondent of the DIFLUMAX mark in relation to its goods, whether or not identical, similar or closely related to Opposer's goods will take unfair advantage of, dilute and diminish the distinctive character or reputation of the DIFLUCAN mark.

"8. To be sure, if Respondent were to be allowed to register and use its mark in connection with the advertisement, sale and distribution of its goods that are similar, identical, or closely related to Opposer's own goods, the consuming public would no doubt be misled into assuming or believing that Respondent's goods are delivered by, originate from, or are under the sponsorship of Opposer. Respondent's use of its mark would indicate a connection between Respondent's goods and Opposer's, when there is none. This no doubt results in the irreparable damage of Opposer's goodwill and reputation.

"9. It is apparent that Respondent's mark is calculated to ride on or cash in on the popularity of the DIFLUCAN mark, which has earned goodwill and reputation worldwide through Opposer's extensive use and promotion since 1988 on anti-fungal pharmaceutical preparations. There appears to be no reason why, of all the many prefixes available in various languages, Respondent would choose to use 'DIFLU' and combine it with a common suffix like 'MAX' for the exact same goods for which DIFLUCAN has been used, except only to draw on the magnetism that Opposer has generated in its DIFLUCAN mark through the years among its consumers.

"10. Moreover, considering the substantial investment incurred by Opposer in promoting its goods and identifying itself throughout the world through the DIFLUCAN trademark, it is clear that Respondent's deceitful conduct in securing the registration of a mark similar to Opposer's and in exploiting the same is aimed towards unduly enriching himself at the expense of Opposer.

"11. Finally, Opposer will suffer grave and irreparable injury to its goodwill, reputation and business as a whole with the registration and use of the subject mark by Respondent.

"12. Under the circumstances, Respondent's trademark registration for "DIFLUMAX" under Application No. 4-2012-005710, filed on 14 May 2012, must be denied.

The Opposer's evidence consists of the Notice of Opposition; a copy of the legalized certificate and special power of attorney confirming the authority of Monina V. Vierneza, Legal Affairs Director of Pfizer, Inc. to verify the notice of opposition and execute the certificate of non-forum shopping and the authority of undersigned counsel

to represent Opposer in these proceedings; the affidavit of Monina V. Vierneza; sample of product packaging for DIFLUCAN products from various countries; copies of materials evidencing Opposer's promotion of the DIFLUCAN trademark around the world; copy of the table generated from the trademark database showing the details of applications and registrations for the DIFLUCAN trademark worldwide; representative copies of various trademark registrations secured in the name of Opposer for DIFLUCAN mark all over the world, and copies of Certificates of Product Registration Nos. DRP=1962, DRP-1963, DRP-1964, DRP-1965, issued by the then Bureau of Food and Drugs and the Food and Drug Administration in favor of Pfizer, Inc. for pharmaceutical products bearing the DIFLUCAN mark.<sup>4</sup>

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 17 October 2012. Said Respondent-Applicant, however, did not file an Answer.

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

Records show that at the time the Respondent-Applicant filed its trademark application on 14 May 2012 for the mark "DIFLUMAX", the Opposer already owns trademark registrations for the mark "DIFLUCAN" in many countries including the Philippines, particularly, Reg. No. 47429, filed on 03 January 1989. The Philippine registration covers pharmaceutical preparation having antifungal properties under Class 5.

The marks are shown below:

**DIFLUCAN**

Opposer's trademark

**Diflumax**

Respondent-Applicant's mark

This Bureau noticed that the products covered by the marks are similar. Designated as DIFLUMAX, Respondent-Applicant's products are pharmaceutical product namely: antifungal. Opposer's products covered under DIFLUCAN are pharmaceutical preparation having antifungal properties. Confusion is likely in this instance because of the close resemblance between the marks and that the goods are the same and are for human consumption. Both marks have the same syllabication and same prefix DIFLU. The last syllable CAN may not be confusingly similar to the last syllable of Respondent-Applicant's mark MAX, however, it could result to mistake with respect to perception because the marks sound so similar. Under the idem sonans rule,

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

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>

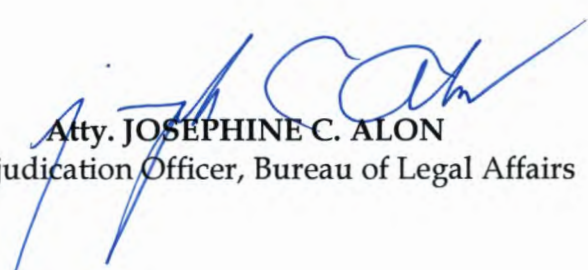
It is emphasized that the function of a trademark is to point out distinctly the origin or ownership of the goods to which it is affixed; to secure to him, who has been instrumental in bringing into the market a superior article of merchandise, the fruit of his industry and skill; to assure the public 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.<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. 4-2012-005710 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 OCT 2016.

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

<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.

<sup>9</sup> *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).