

UNITED LABORATORIES, INC.,
Opposer,

-versus-

CATHAY DRUG COMPANY INC.,
Respondent- Applicant.

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IPC No. 14-2013-00330
Opposition to:
Appln. Serial No. 4-2012-0010937
Date Filed: 07 September 2012
TM: "TRIOCEF"

NOTICE OF DECISION

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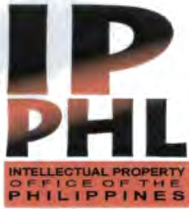
GREETINGS:

Please be informed that Decision No. 2016 - 250 dated July 14, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, July 14, 2016.

For the Director:


Atty. EDWIN DANILO A. DATING
Director III
Bureau of Legal Affairs



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Opposer,

-versus-

CATHAY DRUG COMPANY INC. ,
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IPC No. 14-2013-00330

Opposition to:

Appln. Serial No. 4-2012-0010937
Date Filed: 07 September 2012
Trademark: "**TRIOCEF**"
Decision No. 2016 - 250

DECISION

UNITED LABORATORIES, INC. ("Opposer")¹ filed an opposition to Trademark Application Serial No. 4-2012-0010937. The application filed by CATHAY DRUG COMPANY INC ("Respondent-Applicant")² cover the mark "TRIOCEF" for *pharmaceutical preparations* under class 05 of the International Classification of Goods and Services.³

The Opposer alleges the following grounds for opposition:

"7. The mark 'TRIOCEF' applied for by Respondent-Applicant so resembles the trademark 'TERGECEF' owned by Opposer and duly registered with this Honorable Bureau prior to the publication of the application for the mark 'TRIOCEF'.

"8. The mark 'TRIOCEF' will likely cause confusion, mistake and deception on the part of the purchasing public, most especially considering that the opposed mark 'TRIOCEF' is applied for the same class and goods as that of Opposer's trademark 'TERGECEF', i.e., Class 05 of the International Classification of Goods for pharmaceutical preparations.

"9. The registration of the mark 'TRIOCEF' in the name of the Respondent-Applicant will violate Sec. 123.1.(d) if the IP Code, which provides, in the part, that 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,

¹ A domestic corporation organized and existing under the laws of the Republic of the Philippines with principal office located at No. 66 United Street, Mandaluyong City, Metro Manila, Philippines.

² A domestic corporation with principal office address at 2nd Floor Vernida I, Amorsolo St., Legaspi Village, Makati City, Metro Manila, Philippines.

³ 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.

Under the above-quoted provision, any mark, which is similar to a registered mark, shall be denied registration in respect of similar or related goods or if the mark applied for nearly resembles a registered mark that confusion or deception in mind of the purchasers will likely result.

"10. Respondent-Applicant's use and registration of the mark 'TRIOCEF' will diminish the distinctiveness of Opposer's trademark 'TERGECEF'."

The Opposer's evidence consists of the following:

1. Copy of the pertinent page of the Respondent-Applicant's trademark application, which was published in the IPO-E-Gazette;
2. Certified true copy of the Trademark Application for the mark TERGECEF;
3. Certified true copy of the Assignment of Application for Registration of Trademark;
4. Certified true copy of the Assignment of Application for Registration of Trademark;
5. Certified true copy of the Certificate of Registration No. 66409 for the trademark TERGECEF;
6. Certified true copies of the Affidavits of Actual Use; and,
7. Certified true copy of the Certification and sale performance that acknowledged and listed the brand TERGECEF as one of the leading brands in the Philippines in the category of "J01D – Cephalosporins & Combs Market" in the terms of market share and sale performance.

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 08 August 2013. On 10 September 2013, Respondent-Applicant filed its Answer denying all the material allegations of the Verified Opposition, stating the relevant portions of its affirmative defenses:

"13. The Opposer alleges that Respondent-Applicant's mark 'TRIOCEF' is confusingly similar to the mark 'TERGECEF' and 'TRIOCEF' appears and sounds like 'TERGECEF'. Evidence, however, will show that marks are not confusingly similar under the holistic and dominance tests and the possibility of confusion of goods and business is highly unlikely not impossible.

"14. The Respondent-Applicant asserts that confusingly similarity should be measured by how the marks are actually used and appear in the market place given the fundamental principle in trademark law that trademarks are for the protection of the consumers who should be distinguish between trademarks in the market place. The trademarks in their entirety as they appear in their respective labels or hang tags must also be considered in relation to the goods to which they are attached. The discerning eye of the observer must focus not only on the predominant words but also on the other features appearing in both labels in order that he may draw his conclusion.

"15. Applying the holistic test to the present case, it becomes apparent that Opposer's allegation that 'TRIOCEF' is confusingly similar to 'TERGECEF' is utterly baseless considering the substantial obvious dissimilarities between the marks as they appear in their actual product packaging: x x x

"16. The boxes of Opposer's TERGECEF and Respondent-Applicant's TERGECEF and Respondent-Applicant's TRIOCEF employ different color schemes. The Respondent-Applicant's TRIOCEF employs a color scheme of purple, white, and light pink. On the other hand, Opposer's TERGECEF uses a color scheme of red orange and white. x x x

"17. x x x It is also noteworthy that the Respondent-Applicant's 'CDCI' logo is displayed conspicuously on the packaging of TRIOCEF just like Opposer's 'UAP' logo on its TERGECEF. The presence of Respondent-Applicant's 'CDCI' logo and the Opposer's 'UAP' logo on the packaging would clearly convey to the purchasers that TRIOCEF is not a product of Opposer.

xxx

"26. The nature of the goods and circumstances under which the Respondent-applicant's and the Opposer's products are sold all the more negates the likelihood of confusion alleged by the Opposer.

"27. It is noteworthy that TRIOCEF and TERGECEF are prescription drugs that are not directly taken off the rack by the purchasers. x x x
xxx

The Respondent-Applicant's evidence consists of the following:

1. Copy of the Secretary's Certificate;
2. Copy of the filed trademark application for the mark TRIOCEF; and,
3. Affidavit of Ms. Nona Crisol, the Corporate Secretary of Cathay Drug Company, Inc.

After the termination of the Preliminary Conference, the parties were directed to submit their respective Position Papers. Consequently, this case was submitted for decision.

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

The instant opposition is anchored on Section 123.1 paragraph (d) of R.A. No. 8293, also known as the Intellectual Property Code which provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of the same goods or services or closely related goods or services if it nearly resembles such mark as to be likely to deceive or cause confusion.

Records show that at the time Respondent-Applicant filed its trademark application on 07 September 2012, the Opposer already owns trademark registration for "TERGECEF", under Reg. No. 66409. The registration covers "pharmaceutical preparations for use as antibacterial" in Class 05. Thus, the goods indicated in the Respondent-Applicant's trademark application, are similar and/or closely related to those covered by the Opposer's trademark registration.

A comparison of the competing marks reproduced below:

Tergecef

Opposer's Trademark

TRIOCEF

Respondent-Applicant's mark

What are common between the marks are the first letter "T" and the suffix "CEF". In this regard, it appears that the suffix "CEF" is not an accurate indicator of the existence of confusing similarity between the marks because "CEF" is obviously derived from the word "cefixime", which is used to treat certain infections caused by bacteria such as bronchitis (infection of the airway tubes leading to the lungs); gonorrhea (a sexually transmitted disease); and infections of the ears, throat, tonsils, and urinary tract.⁴ It is a fair inference that the parties appropriated the suffix "CEF" as part or component of their respective trademarks because the pharmaceutical products covered by the marks are for killing bacteria in a class

⁴ <https://www.nlm.nih.gov/medlineplus/druginfo/meds/a690007.html>.

called cephalosporin antibiotics.⁵ Corollary, this Bureau cannot sustain the instant opposition on the basis of the similarity of the first letter "T" and the suffix "CEF" alone. To do so would have the effect of giving the Opposer the exclusive right to use the suffix "CEF". Therefore, this Bureau cannot sustain the opposition on the basis of the similarity of the suffixes derived of the contending trademarks alone containing "CEF".

It is noteworthy that TRIOCEF and TERGECEF are prescription drugs that are not directly taken off the rack by the purchasers. For both pharmaceutical products to pass on to the buyers, the latter must present a licensed physician's prescription to a pharmacist, who will dispense the pharmaceutical product. Thus, it was ruled that with regard to medicines, the requirement prescription makes "the chances of being confused into purchasing one for the other are therefore all the more rendered negligible."⁶

Finally, the boxes of Opposer's TERGECEF and Respondent-Applicant's TRIOCEF employ different color scheme. It is also noteworthy that the Respondent-Applicant's "CDCI" logo displayed conspicuously on the packaging of TRIOCEF just like Opposer's "UAP" logo on its TERGECEF. Moreover, the label of TRIOCEF indicates that El Laboratories, Inc. manufactured TRIOCEF for the Respondent-Applicant. On the other hand, Opposer's label shows that TERGECEF is manufactured by Asian Antibiotics Inc. for United American Pharmaceuticals Inc. Thus, the different product information conveyed and the manner they are displayed on the respective labels of the pharmaceutical products negate any possibility that physicians, pharmacists and ordinary purchasers will confuse TRIOCEF as TERGECEF.⁷

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.⁸ This Bureau finds the Respondent-Applicant's mark consistent with this function.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2012-0010937 is hereby **DISMISSED**. Let the file wrapper of subject trademark application be returned, together with a copy of the Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City 14 JUL 2016


Atty. NATHANIEL S. AREVALO
Director IV, Bureau of Legal Affairs

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Id.

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Bristol Myers Co. vs. Director of Patents 17 SCRA 128 (1966), involving trademarks "BUFFERIN" and "BIOFERIN".

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In compliance with Republic Act No. 6675 of the Generics Law of 1988. Requirements For Labeling Materials of Pharmaceutical Products (December 7, 1988).

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Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 Nov. 1999.